



Daily Report

China

FBIS-CHI-92-105
Monday
1 June 1992

Daily Report

China

FBIS-CHI-92-105

CONTENTS

1 June 1992

NOTICE TO READERS: An * indicates material not previously disseminated in electronic form.

INTERNATIONAL AFFAIRS

General

Official on U.S. Property Rights Accord, EC [XINHUA]	1
Environmental Delegation Departs for Forum in Rio	1
Group of 'Non-governmental' Envoys [XINHUA]	1
Further on Li Peng at Summit [XINHUA]	1
Qin Huasun Agrees on Guidelines at Weapons Forum [XINHUA]	2
UN Envoy Calls on Bosnia To Resolve Conflicts [XINHUA]	2
U.S. Trade Barriers 'Harm' East Europe Economy [SHIJIE ZHISHI 16 Apr]	3
DPRK Visit by U.S. Group Marks 'Improved' Ties	3
Former Congressman Heads Group [Beijing International]	3
Further on U.S. Visit [Beijing International]	3

United States & Canada

Bush To Attend Closing Rounds of Earth Summit [XINHUA]	4
U.S. Criticizes India Medium-Range Missile Test [XINHUA]	4
FBI Says Moscow 'Espionage' Threat Continues [XINHUA]	4
Sino-U.S. Seminar Discusses Population Problems [XINHUA]	5
Wang Tingchen Heads Mayors Delegation to U.S. [XINHUA]	5
Article on Racial Discrimination in U.S. [FAZHI RIBAO 18 May]	5
Article Criticizes Child Welfare in U.S. [Hong Kong ZHONGGUO TONGXUN SHE]	6

Central Eurasia

Byelarus To Withdraw Strategic Nuclear Weapons [XINHUA]	7
Russia To Cut Southern Kuril Islands Troops [XINHUA]	8
Rail Service Agreement Signed With Kazakhstan [XINHUA]	8

Northeast Asia

Further on NPC Head Wan Li's Japan Trip	8
Pays Visit to Kagawa Prefecture [XINHUA]	8
Begins Visit to Osaka [XINHUA]	8
Concludes Visit, Leaves for Home [XINHUA]	9
Sakurauchi Bids Wan Li Farewell [XINHUA]	9
Official Says Visit 'Successful' [XINHUA]	10
Legal Figures To Ask Japan for 'Stolen' Relics [Hong Kong MING PAO 30 May]	10
Japanese Joint Venture Starts Tarim Basin Survey [XINHUA]	11
Guangdong Delegation Departs for Japan Visit [XINHUA]	11
DPRK Group 'Successfully' Ends Shandong Visit [Jinan Radio]	11

Southeast Asia & Pacific

Yang Shangkun Meets Indonesian Delegation [XINHUA]	11
Philippine Envoy in Lhasa; Meets Mao Rubai [Lhasa Radio]	12
Yang Shangkun Meets Thai Visitor, Views Taiwan [Hong Kong WEN WEI PO 30 May]	12
CPC Adviser Meets Thai Entrepreneur [XINHUA]	13
New Zealand May Restore Fiji Military Aid [XINHUA]	13

Near East & South Asia

Sudan Minister Seeks Help To Improve Irrigation	13
Proposes Companies 'Beef Up' Presence [CHINA DAILY 1 Jun]	13
Li Lanqing Meets Abu-Shura [XINHUA]	14
Middle East Trade Delegation Plans Visit [CHINA DAILY (BUSINESS WEEKLY) 31 May]	14
ANC Vows Mass Action To Force RSA Reform [XINHUA]	14

Sub-Saharan Africa

Wu Shaozu Accompanies Benin President in Shanghai	15
Visit Suburbs, Silk Mill [XINHUA]	15
Benin President Ends Visit [Shanghai Radio]	15

East Europe

Envoy Holds Fete for Romanian Consular Treaty [XINHUA]	15
XINHUA on Serbian Response to UN Sanctions	15
Romania Denies Provision of Tanks to Moldova [XINHUA]	16

Latin America & Caribbean

Li Ruihuan Meets Cuban News Agency Director [XINHUA]	16
'High-Level' Trade Delegation To Visit Argentina [CHINA DAILY (BUSINESS WEEKLY) 31 May]	16

NATIONAL AFFAIRS

Political & Social

List of Political Bureau Candidates Drafted [Hong Kong CHENG MING 1 Jun]	18
Deng Discusses 'Leftism' With Party Leaders [Hong Kong CHENG MING 1 Jun]	19
Authorities Deny Entry to Dissident Journalist [Hong Kong SOUTH CHINA SUNDAY MORNING POST 31 May]	21
Reverse on Ban Said 'Unlikely' [AFP]	22
Delegate to NPC Urges Entry [Hong Kong SOUTH CHINA MORNING POST 1 Jun]	22
Unauthorized Activities on Tiananmen Square Banned [AFP]	23
Security Heightened in Beijing [AFP]	23
University President Refutes Reports of Protest [Hong Kong TA KUNG PAO 30 May]	24
Union Leader's Boss Will Not Aid With Passport [Hong Kong THE STANDARD 1 Jun]	24
Exiled Dissident To Form Underground Network [Hong Kong SOUTH CHINA MORNING POST 1 Jun]	25
Officials Blame Dissident for Court Incident [Hong Kong WEN WEI PO 29 May]	25

Economic & Agricultural

Li Guixian Presides Over Bank Reform Meeting [XINHUA]	26
More Foreign Banks Expected To Open Branches [CHINA DAILY 29 May]	26
Trade Official: Reforms To Benefit Investors [CHINA DAILY (BUSINESS WEEKLY) 31 May] ..	27
First Materials Futures Market Opens in Shanghai [CHINA DAILY 29 May]	28
XINHUA Discusses Environment, Development	28

REGIONAL AFFAIRS

East Region

Anhui's Wuhu Port Opens to Foreign Vessels [Hefei Radio]	30
Jiangsu's Shen Daren Heads Delegation to Shandong [Nanjing Radio]	30
Bank of China Helps Jiangxi Economic Development [XINHUA]	30
Antidrug Work Conference Held in Shandong [Jinan Radio]	30
Shanghai Center To Test 5.5 Day Work Week [XINHUA]	31

Central-South Region

Shenzhen Reveals 'Ambitious' Economic Plan [CHINA DAILY 30 May]	31
New Shenzhen Customs Administrative Measures [XINHUA]	31
Liu Jianfeng at Hainan Experimental Area Meeting [Haikou Radio]	31

Southwest Region

Wang Chaowen Attends Guizhou Propaganda Meeting [Haikou Radio]	32
Tibet Commentary on Learning From Capitalism [Lhasa Radio]	32
Gyaincain Norbu Inspects Counties' Development [Lhasa Radio]	33

North Region

Beijing, Suburbs Plan More Investment, Trade [XINHUA]	33
Hebei's Cangzhou City Elects New Mayor [HEBEI RIBAO 9 Apr]	34
Wang Qun Addresses Forum of City Leaders [NEIMENGGU RIBAO]	34

Northwest Region

Activities of Xinjiang's Song Hanliang Reported	35
Addresses Party Work Meeting [Urumqi TV]	35
Holds Forum With Journalists [Urumqi TV]	35
Reportage on Xinjiang Spark Plan Exhibition	35
Song Hanliang, Others at Closing [Urumqi TV]	35
'Roundup' Notes Successes Achieved [Urumqi TV]	36
Commentary Urges S&T Propagation [Urumqi TV]	36
Report Views Increasing Border Trade in Xinjiang [XINHUA]	37

PRC MEDIA ON TAIWAN AFFAIRS

Commentary Urges Closer Cross-Strait Relations [Beijing Radio]	38
Academic Exchanges Praised as 'New Milestone' [Beijing Radio]	38

TAIWAN

Property Rights Talks With U.S. Behind Schedule [Taipei Radio]	40
National Assembly Concludes 'Historic' Session [CNA]	40
Editorial Lauds Work on Constitution [CNA]	40
Yang Shangkun Cited on Nonaggression Treaty [Taipei Radio]	40
MAC Vice Chairman Comments [CNA]	41
Further on Remarks [Taipei Radio]	41

HONG KONG & MACAO

Hong Kong

Basic Law Amendment, Democratization Issue Viewed	43
Spokesman: No Change Before '97 [XINHUA]	43
Howe Urges 'Avoiding Confrontation'	
[SOUTH CHINA SUNDAY MORNING POST 31 May]	43
UK Warned of 'Trouble' [TA KUNG PAO 31 May]	43
Rally Marking 4 Jun Held at XINHUA Building [SOUTH CHINA MORNING POST 1 Jun]	45

General

Official on U.S. Property Rights Accord, EC

OW3005120492 Beijing XINHUA in English
1141 GMT 30 May 92

[Text] Beijing, May 30 (XINHUA)—China is ready to apply the relevant principles in the memorandum on intellectual property rights reached by China and the United States this January to European Community, a senior foreign trade official said today.

Tong Zhiguang, vice minister of foreign economic relations and trade (MOFERT) made the remarks in response to the recent EC demands requesting China to provide similar administrative protection to the EC farm use chemical substances and pesticides as in the Sino-US agreement.

The vice minister said the Chinese Government understands the EC demands.

In intellectual property rights protection, he said, China will adhere to the international rules and practices and, in line with China's actual conditions, protect intellectual property rights. He said the United States asked for negotiations first and thus the two countries reached a memorandum of understanding based on mutual accommodation and understanding.

He said the Chinese Government is ready to apply the principles to EC. Meanwhile, China hopes the EC will support China in its effort to resume its signatory status in the General Agreement of Tariffs and Trade (GATT), respect China's stands on Taiwan's decision to join the GATT, and promote the process of resumption of China's status in the GATT.

The vice minister said China also hopes the EC will rescind the quotas limitations on Chinese products in its trade with China and improve the terms of technology transfer and financial aid to China.

Vice-Minister Tong said at present China and the EC enjoy very good economic and trade relations. He expressed the belief that the mutual economic and trade relations will be further improved through the above cooperations in intellectual property rights protection and trade.

Environmental Delegation Departs for Forum in Rio

Group of 'Non-governmental' Envoys

OW3005114492 Beijing XINHUA Domestic Service
in Chinese 0819 GMT 30 May 92

[By reporter Li Xiguang (2621 1585 0342)]

[Text] Beijing, 30 May (XINHUA)—A Chinese people's environment delegation, composed of 19 people of the environmental protection circles, scientists, scholars, and journalists, started on a journey today for Brazil to participate in the global forum to be held in Rio de Janeiro next week.

To coordinate with the convocation of a UN conference on the environment and development, the global forum will be a nongovernmental activity of an unprecedentedly large

scale. More than 3,500 environmental protection organizations and delegations from all over the world, including the Green Peace organization, Friends of the Earth, and the Chinese Society of Environmental Science, will participate in the activity.

According to a responsible person of the society, the fact that China sends a non-governmental delegation to attend the forum shows that the Chinese people are deeply concerned about the world's environmental problems. He said that in the past month, China has launched series of activities to greet the convocation of these two meetings in Brazil. The Chinese Society of Environmental Science has organized a nationwide earth-oath signature campaign, and more than 10 million signatures have been collected thus far. XINHUA News Agency, RENMIN RIBAO, Central Television, and other large newspapers across the country have published or broadcast special-topic articles or interviews.

It has been learned that the two-week global forum will be held in a tent 35 km from the meeting place of the world's summit conference. Participants to the forum will mainly discuss environmental problems at the forum but will also touch on issues involving the rights and interests of women, children, and minority nationalities. In addition, the participants will also give speeches on solar energy, Esperanto, space biology, yoga, and theology.

The replica of a 10th-century Scandinavian ship will sail into the port of Rio de Janeiro on the opening day of the forum, fully loaded with letters from children throughout the world to the heads of state attending the UN conference. These letters call on them to save the planet on which mankind lives.

About 3,500 journalists, photographers, and TV reporters, including Chinese reporters, will cover and report on the proceedings of the forum.

Also, it has been learned that a group of 17 people, led by Qu Geping, director of the State Bureau of Environmental Protection and deputy head of the Chinese delegation to participate in a ministerial meeting prior to the UN summit conference on the environment and development to be held in Brazil on 3 June, started on their journey yesterday.

Premier Li Peng will lead a Chinese Government delegation to attend the summit conference. He will deliver an important speech at the conference. [Beijing XINHUA Domestic Service in Chinese at 1119 GMT on 30 May requests that subscribers "delete the last paragraph."]

Further on Li Peng at Summit

OW3005035992 Beijing XINHUA Domestic Service
in Chinese 0155 GMT 21 May 92

[Text] Beijing, 30 May (XINHUA)—Premier Li Peng will attend the summit segment of the United Nations Conference on Environment and Development (UNCED) to be held in Rio de Janeiro from June 12 to 14, at the invitation of UN Secretary General Butrus-Butrus Ghali and President Collor of Brazil.

The UNCED is an important international conference devoted to world environment and development which was proposed by the 43d session of the UN General Assembly. After prolonged preparation, it will be the highest-level gathering of the largest size in the UN history. It will be held at a time when environmental awareness has notably increased and issues of development have become more prominent in the world. The conference will discuss and approve a "Rio Environmental and Development Declaration" and an "Agenda for the 21st Century," as well as sign related international conventions and documents on environmental protection.

The Chinese Government attaches importance to the environment and development issues and has taken an active part in the preparation of the conference. China is willing to work together with other countries of the world to ensure the success of the conference.

Song Jian, state councillor and minister of State Science and Technology Commission, will attend the ministerial segment of the UNCED as head of the Chinese delegation.

Qin Huasun Agrees on Guidelines at Weapons Forum

*OW3005044692 Beijing XINHUA in English
0254 GMT 30 May 92*

[Text] Washington, May 29 (XINHUA)—Representatives from the United States, Russia, China, France and Britain agreed today on guidelines related to weapons of mass destruction.

The guidelines were worked out at a five-power meeting on arms control in the Middle East.

[Beijing XINHUA Domestic Service in Chinese at 0257 GMT on 30 May in a similar report adds here: "Qin Huasun, Chinese delegation head and director of the Department of International Organizations and Conferences of the Ministry of Foreign Affairs, told a XINHUA reporter that he was satisfied with the outcome of the meeting."]

The five nations were "determined to work towards maintaining world peace and freeing mankind from the threat of weapons of mass destruction," the guidelines said.

But "international non-proliferation efforts should not prejudice the legitimate rights and interests of states in the exclusively peaceful uses of science and technology for development," they said.

All five nations reaffirmed their commitments not to assist—either directly or indirectly—non-nuclear-weapons nations or any other nations in the development, acquisition, manufacture, testing, stockpiling or deployment of nuclear, chemical and biological weapons.

During the meeting, delegates also discussed the transfer of conventional arms to the Middle East, including measures to reduce arms exports to the region.

Senior U.S. officials told reporters Washington had sold 13 billion dollars worth of arms to Middle East nations since the end of the Gulf war last year.

This was the third five-power gathering following meetings in Paris last July and London last October.

At the London meeting, agreement was reached on guidelines for conventional arms transfers.

Delegates also agreed that their next meeting would be held in Moscow with the focus once again on the issue of arms control in the Middle East.

UN Envoy Calls on Bosnia To Resolve Conflicts

*OW3005221692 Beijing XINHUA in English
2139 GMT 30 May 92*

[Text] United Nations, May 30 (XINHUA)—China said today that means other than sanctions on Yugoslavia could still be found to solve the ethnic conflicts in the war-torn Bosnia and Herzegovina.

"In our view, there still exist opportunities to resolve the crisis with means other than sanctions," Li Daoyu, Chinese permanent representative to the United Nations, told the U.N. Security Council before it adopted a resolution imposing sanctions against Yugoslavia this afternoon.

Stressing that appropriate measures should be taken to find an early settlement of the crisis in Bosnia and Herzegovina, the ambassador however noted that the situation in the former Yugoslavia is complicated and the cause of the conflict multi-faceted.

"We are concerned that sanctions will probably lead to further deterioration of the situation and create serious consequences affecting the life of the people in the region and the economy of the neighboring states," he declared.

The ambassador urged all the parties and others concerned in Bosnia and Herzegovina "to stop all fightings without any further delay and observe swiftly and effectively" Security Council Resolution 752, which demands the withdrawal of the units of the Yugoslav People's Army and the Croatian Army in the republic, and the relevant cease-fire agreements.

He also called for an immediate end to all forms of interference from outside Bosnia and Herzegovina and to all forcible expulsions of persons from their homes.

He appealed to all parties to create, as early as possible, conditions including the opening of Sarajero Airport "to ensure the effective and unhindered delivery" of humanitarian assistance by the international community.

It was reported that some 700,000 people have been displaced in the republic since hostilities broke out at the end of February when moslem Slavs and Croatians voted for the independence of the republic from Yugoslavia to the opposition of the Serbs.

The U.N. secretary-general has charged that many non-Serbs had been driven out of their homes by the Serbs to create "ethnically pure" regions in the republic with the acquiescence of and at least some support from the Yugoslav People's Army.

The Chinese ambassador expressed the hope that all the parties concerned will resume negotiations immediately and

reconcile their differences by peaceful means so that people of all ethnic groups in the republic will live in harmony and re-embark on the road of economic development and reconstruction at an early date.

U.S. Trade Barriers 'Harm' East Europe Economy

HK3005023092 Beijing SHIJIE ZHISHI in Chinese
No 8, 16 Apr 92 p 27

[Article by Dong Dong (0392 0392): "Giving Someone the Fish Only To Grab Benefit From Him by Fishing—U.S. Trade Barriers Doing Harm to East Europe's Economy"]

[Text] In recent years, the Western countries headed by the United States have been constantly praising themselves for offering "aid" to East European countries so as to "help" East European countries move toward "democratic politics" and "free economy." From 1990 to 1991, the United States provided East European countries with a total of nearly \$2 billion worth of "aid." With this, plus the "generous" offers from other Western countries, the East European countries, one may say, have "benefited" enormously. However, the trade protectionism of the West, especially the United States, has put a big question mark to such "generosity."

As disclosed by the Western press, the Western countries including the United States, for the sake of their own interests, have been encouraging East European countries to "create miracles of market economy" on the one hand and building up trade barriers to block the door on their way into the Western market on the other hand. The U.S. Antidumping Act is one of the barriers that the United States has built against exportation by East European countries. According to the U.S. Antidumping Act, when the market price of an import item is lower than its market price within the exporting country, or when its profit margin is below 8 percent, the United States will impose a penalty in accordance with the Antidumping Act. However, as the market economy in East European countries is not yet developed, the costs of production of one commodity are very different and clear, and comparable cost statistics are not available. When judging whether or not the export price of a certain product from a country is a dumping price, the officials of the U.S. Department of Commerce tend to randomly pick an item of the same type from another country for reference and then estimate the cost of production of this product in all East European countries. The result is that all exporters in East European countries are terror-stricken when exporting to the United States: Though the prices are already too high, they may still be accused of "dumping." With this method, the United States imposed antidumping sanctions on the steel products of Poland and Czechoslovakia and on the ball bearings, rubber, and nitro-cotton of Romania and Yugoslavia.

Another trade barrier put up by the United States is the imposition of import limits. Textiles and garments are the major items exported to the West by East European countries, but the United States has put quotas on the exportation of textiles and garments by most East European countries. Poland, whose strength lies in wool spinning, was allowed to export no more than some 200,000 men's and

women's overcoats or suits in one category to the United States this year. Czechoslovakia was also forced to sign an agreement with the United States restricting the former's garment exportation to the latter, though the garments from Czechoslovakia only take up 0.05 percent in the American market. In fact, even without the limits on the exportation of garments by East Europe, the garment tariff imposed by the United States, 20 percent or more, also bars the entry of these products. In his 1989 economic report, Bush also admits that the tariffs and limits on garment exportation are equal to customs surtax going up to 50 percent or more.

A personality from East Europe once said: "Entering the Western market is the best form of aid that Westerners can offer us.... To us, this is a major matter of life and death." Yet it is on this major matter of life and death that Western countries, headed by the United States, have adopted a practice that benefits themselves at the expense of others: having East Europe open up its market to the West without letting East Europe enter the Western market. Giving someone the fish only to grab the benefit from him by fishing, such "aid," naturally, only causes misgivings and discontentment among East European countries.

DPRK Visit by U.S. Group Marks 'Improved' Ties

Former Congressman Heads Group

SK2905141992 Beijing Radio Beijing in Korean
1100 GMT 29 May 92

[Text] A large-scale delegation of the American Freedom Coalition led by former U.S. Congressman Richard Ichord, coalition chairman, arrived in Pyongyang on 28 May to start its six-day visit to the DPRK. This delegation composed of 25 people is the largest American delegation ever to visit the DPRK.

In his arrival statement at the airport, Ichord said that relations between the two countries of the United States and the DPRK are currently placed at an historical crossroad and that the time has come for the people of the two countries to seek mutual understanding and to improve relations based on respect, trust, and the principle of international law.

The American Freedom Coalition delegation is visiting the DPRK upon the invitation of the Foreign Affairs Committee of the Supreme People's Assembly.

DPRK-U.S. relations this year are being improved to some degree.

Further on U.S. Visit

SK3105142492 Beijing Radio Beijing in Korean
1100 GMT 30 May 92

[Text] Kim Yong-sun, chairman of the Foreign Affairs Committee of the DPRK Supreme People's Assembly and secretary of the Workers Party of Korea Central Committee, said on 28 May that improving relations between the DPRK and the United States, now that the Cold War is over, conforms not only with interests of both countries but also with the international trend toward detente, reconciliation, and peace.

According to NODONG SINMUN on 29 May, Kim Yong-sun said this at a banquet arranged for a delegation of the American Freedom Coalition on the evening of 28 May.

In his speech at the banquet, Kim Yong-sun hoped that on the occasion of the delegation's visit discussion will play an active role in strengthening the understanding between the DPRK and the United States and in developing the friendship between the peoples of the two countries.

He said he is sure that some day the DPRK and the United States will visit each other's country, strengthen understanding, and get along harmoniously with each other and that this will certainly come true.

Former Congressman Richard Ichord, head of the delegation and chairman of the American Freedom Coalition, spoke at the banquet.

Saying that the Korean issue is not just regional but relates significantly to world peace, he emphasized that both sides should make joint efforts for the cause of peace.

Ichord highly assessed the DPRK Government's efforts to resolve the nuclear issue on the Korean peninsula. He also expressed gratitude to the DPRK Government for turning over the remains of the U.S. soldiers who were killed during the Korean war to the United States.

The 25-member delegation of the American Freedom Coalition began its visit to the DPRK on 28 May.

United States & Canada

Bush To Attend Closing Rounds of Earth Summit

OW3005032992 Beijing XINHUA in English
0204 GMT 30 May 92

[Text] Washington, May 29 (XINHUA)—U.S. President George Bush will leave for the closing rounds of the earth summit in Rio de Janeiro on June 11, the White House announced today.

White House Chief of Staff Samuel Skinner said the President will return on the night of June 12 or the morning of June 13. The decision was made at the end of a debate in the White House.

Bush previously planned to go to the environment conference on June 9 and return before other world leaders arrived.

Leaders from more than 100 countries and regions are expected to attend the summit, but most of them will only show up at the closing rounds for the signing of a global warming agreement.

According to an AP report, Bush administration officials said that before the President left for Rio, he would announce an initiative on Monday to help tropical countries preserve their dwindling forests.

The officials said Bush was expected to unveil his plan at Goddard Space Flight Center in a major speech on environmental issues.

They said Bush would urge other industrialized nations to join the United States in a forestation plan designed to defocus attention on the global warming pact.

Bush's soft stand on the reduction of greenhouse gases, believed to be the major culprit of global warming, has drawn increasing criticism from environmentalists and European countries.

The officials said the forestation plan was intended to position Bush as an environmental leader in advance of his trip to Rio.

U.S. Criticizes India Medium-Range Missile Test

OW2905222792 Beijing XINHUA in English
2117 GMT 29 May 92

[Text] Washington, May 29 (XINHUA)—The U.S. Administration today criticized the test firing by India of an intermediate-range ballistic missile, and said that such actions undermined security in that region.

Richard Boucher, deputy spokesman of the State Department, said "we regret India's decision to proceed with the further testing of its intermediate-range ballistic missile."

"We believe that ballistic missile programs in areas where there are chronic regional tensions undermine rather than enhance regional security," Boucher said.

An Indian Defense Ministry spokesman announced that an Agni surface-to-surface missile was launched today from a military range in Chandipur in the eastern state of Orissa. The Agni, which means "fire" in Sanskrit, has a range of 1,550 miles.

The Agni missile has the range to hit targets as far away as Iran in the west and Hong Kong in the east. It can strike any city in neighboring Pakistan, with which India has fought three wars.

"Introducing and developing ballistic missiles in that environment does not enhance security, but rather it makes it more difficult to achieve stable regional security," Boucher added.

India first tested the Agni in May 1989, making it the seventh country after the United States, Russia, China, France, Britain and Israel to possess ballistic missiles.

Three weeks ago, the United States imposed limited economic sanctions on the Indian space research organization because of its proposed purchase of Russian rocket technology.

The United States contended that the technology could be applied to developing ballistic missiles, ignoring Indian insistence that the technology will be used only to put civilian satellites in orbit.

FBI Says Moscow 'Espionage' Threat Continues

OW3005051092 Beijing XINHUA in English
0358 GMT 30 May 92

[Text] Washington, May 29 (XINHUA)—The Cold War may be over but Russian agents continue unabashed in their quest for American secrets, it was reported today.

Russian agents, some disguised as diplomats, still worked to unearth military and high-technology secrets in the United States, U.S. counter-intelligence officials were quoted by the ASSOCIATED PRESS (AP) as saying.

"Their level of activity has not changed and it is a concern to us," the FBI's Deputy Assistant Director of Counter-intelligence Harry Brandon told the agency.

"They continue to try to collect classified information as well as sensitive new technology," he said.

"We've seen very little, if any, change in (Russian spy) personnel."

After their Camp David meeting earlier this year, U.S. President George Bush and his Russian counterpart Boris Yeltsin said the two nations no longer regarded one another as adversaries but rather as partners.

But "until we get over this (espionage) hurdle, it will be very difficult, in some areas, for us to cooperate," Brandon said.

AP said the issue would likely be addressed at the June 16-17 Washington summit between Bush and Yeltsin.

Sino-U.S. Seminar Discusses Population Problems

OW3005021392 Beijing XINHUA in English
0134 GMT 30 May 92

[Text] Shanghai, May 30 (XINHUA)—During its modernization drive, China should pay special attention to modernization of its population, a group of Chinese and American scientists stressed at an international seminar that closed here Thursday.

Modernization of population is a necessary and important part of the country's modernization drive, the scientists noted, adding that without modernization of population, there would be no all-round modernization.

The scientists explored various factors leading to the rapid growth of the country's population in the past century at the international seminar on the major issues in the evolution of modern Chinese society, which opened on May 25.

Those attending included 65 sociologists and scholars from institutes of higher learning in China and the U.S.

Zhang Kaimin, director of the research institute of population of the Shanghai Academy of Sciences, told the meeting that the country's population growth has featured different characteristics at different periods during the last century.

According to Zhang, the birth and death rates were very high and the growth rate of population was low during the period from the late 19th century to the middle of this century. But since the 1950s, the country's birth rate has remained high and death rate has been lowered greatly, so that the growth rate of population saw a rise across the board. The country began to wage its family planning campaign in the early 1970s. As a result, the population has shown a tendency to have low birth and death rates.

James Lee, associate professor of history, humanities and social sciences at the California Institute of Technology in the U.S., pointed out that the recent "population explosion"

in China should be attributed to the growth of cities and large-scale immigration to border areas of the country.

Lee concluded that the reasons for the country's population growth lie in the development of the society and economy.

The seminar was sponsored by Shanghai's Fudan University and the Institute of East Asian Studies of the University of California (Berkeley).

Wang Tingchen Heads Mayors Delegation to U.S.

OW3005020092 Beijing XINHUA in English
0148 GMT 30 May 92

[Text] Beijing, May 30 (XINHUA)—An eight-member Chinese mayors' delegation led by Wang Tingchen, mayor of Kunming, Yunnan Province, left here by air today on a visit to the United States at the invitation of the national committee on United States-China Relations.

The delegation includes mayor Wang Wenqing of Lianyungang of Jiangsu Province, Mayor Zheng Zhihui of Zhanjiang of Guangdong Province, Mayor LI Youmei of Datong of Shanxi Province and Mayor Han Yulin of Zhangzhou of Fujian Province.

An official from the Chinese People's Institute of Foreign Affairs said the delegation which was organized by the institute will meet local officials and businessmen in the United States.

Article on Racial Discrimination in U.S.

HK2905131892 Beijing FAZHI RIBAO in Chinese
18 May 92 p 4

["International Forum" column by Jin Chun (6855 2504): "United States' Human Rights Conditions as Seen From Los Angeles Incident"]

[Text] The racial discrimination incident occurring in Los Angeles, the second largest city in the United States, on 29 April administered a serious shock to and evoked strong repercussions in the United States and all parts of the world. Public opinion, politicians, and scholars in various countries commented on the incident, and unanimously condemned the behavior of racial discrimination and violent abuse and violation of human rights in the United States.

The death toll, the number of injuries, the quantity of buildings burned down, the number of arrests, the number of people involved in the Los Angeles incident, the wide range of cities affected, the seriousness of the economic losses and other consequences were all unprecedented. It was the largest antiracist incident in the United States since the 1960's.

The occurrence of the incident was no accident at all. It was an inevitable result of the longstanding serious racial discrimination and human rights violations in the United States, and was an inevitable result of the intensification of the racial contradictions there.

The United States is a country with many nationalities, and is also a country with the most serious racial discrimination in the world. In the United States, there are 30 million black people, 20 million Hispanics of South American origin,

800,000 Indians, and several million Asian-Americans. These four races form the bulk of the ethnic minorities in the United States. The United States, which claims to be "most respectful of human rights," always discriminates against the ethnic minorities, particularly black people. Being reinforced by the legal system, encouraged by custom, supported by pseudoscience, and spread by the mass media, racial discrimination has become an important component part and tradition in the lifestyle of the United States. Without mentioning the shameful record of racial discrimination in history, even today, phenomena of serious racial discrimination still exist in every field of social life in the United States. Black people are always regarded as "second-class citizens," and the U.S. Government discriminates against black people using various pretexts and in various forms in the political, economic, cultural, and educational fields. The U.S. Government has also used military troops and police many times to suppress black people's activities of demanding equal rights and opposing racial discrimination. For example, between 1964 and 1968, the U.S. Government dispatched 70,000 troops to suppress the protest movements of black people throughout the country. As a result, 46 people were killed; 3,500 were injured; 20,000 were arrested; and 45 million [as published] were harmed to varying degrees. The black people's peace-oriented leader Martin Luther King was assassinated. Black people's powerless position also finds expression in the fact that they cannot participate in the management of the state. Only a very, very small number of black people can become government secretaries, congressmen, mayors, state governors, and justices. Only 2 percent of government officials are black. Black people also suffer discrimination in the economic field, and are living in extremely poor economic conditions. Black people's income accounts for only 7.8 percent of total individual income, which amounts to \$3,600 billion. In 1990, 33.8 percent of black people in large cities lived below the poverty line; and 44.8 percent of black children lived in poverty. Jobs for black people are low-income strenuous physical labor and service jobs. Only 3 percent of managers, factory directors, company chairmen, and other high-income and high-positioned people are black, and only 6 percent of such high-income professionals as doctors, lawyers, and engineers are black. The phenomenon of unequal pay for the same work is evident. The wage income of black people is only half of that of white people. The unemployment rate among blacks is much higher than that among whites. In February 1986, the unemployment rate among black people was 35 percent, while that among white young people was lower than 20 percent. [sentence as published] In March 1992, 14.2 percent of black people were jobless, but only 6.9 percent of white people were out of work. Black children account for 15 percent of the total number of children in the whole country, but 32 percent of black children live in impoverished families. [sentence as published] Infant mortality among blacks is 17.6 percent, twice that among whites. [sentence as published] The life expectancy of black people is five years shorter than that of white people. In the field of education, there also exists a wide gap between black people and white people. In the 1970's, 72 percent of black people graduated from high school, while the rate for white people was 85 percent. The

proportion of high school and college graduates among whites was 2.5 times that among blacks. Since the 1980's, this gap has not been narrowed, but has just got wider. There are more common phenomena of racial discrimination in the field of social life. The U.S. Government allows black people to live in decaying, crime-ridden, and drug-addiction-filled urban districts. There, housing, educational, and social service facilities are extremely inferior. Black people cannot find jobs and cannot go to school. Black people even cannot buy alcoholic drinks in some bars and cannot eat in some restaurants or rent a room in some hotels. They find no foothold in golf courses. They suffer discrimination everywhere.

After the end of World War II, black people carried out a prolonged struggle for equal rights with white people. From 1957 to 1991, there were 15 rounds of this struggle. The human rights situation for black people was somewhat improved. However, all the black people's protest movements were suppressed by the government, and not much progress was made in eliminating racial discrimination. Black people's predicament in various fields was not thoroughly changed. The recent Los Angeles incident was the continuation and development of the 15 previous antiracist protest movements. Through several days' suppression by military troops and police, the situation was finally made calm. However, the problem of racial discrimination and human rights violation was not thoroughly solved. It is certain that as long as racial discrimination still exists, racial contradictions will become fierce again, and the antiracist protest movement will reemerge sooner or later.

The Los Angeles incident that shocked the whole world has come to an end, but its impact is far from disappearing. People have clearly seen from the incident the actual existence of racial discrimination to a serious degree. Racial discrimination is in essence a violation of human rights. The basic human rights of black people, including their right to subsistence, their political rights, and their right of economic, cultural, and social development, are violated. The incident also shows that as long as racial discrimination continues to exist, the racial contradictions will become intense sooner or later, and the antiracist protest movement and struggle will inevitably break out. Racial struggle is, in essence, class struggle. The struggle against racism is in fact the struggle to win and improve human rights. Therefore, racial struggle is congruent with the struggle to win human rights. The former is a special form of expression of the latter. The incident fully laid bare the hypocrisy and duplicity of the United States' democracy and human rights, and shows that the human rights situation in the United States is not so "good." The United States is absolutely not entitled and has no right to criticize the human rights situation in other countries and to flagrantly interfere in such matters in other countries. Instead, it should seriously consider how to improve its own human rights situation.

Article Criticizes Child Welfare in U.S.

HK2905143592 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 0854 GMT 28 May 92

["Newsletter From New York" by Xin He (6580 4421): "Children Outside the Gates of Paradise"]

[Text] New York, 28 May (ZHONGGUO TONGXUN SHE)—Is the United States a children's "paradise?" When you see schoolchildren going to school on comfortable school buses, playing as much as they like with their parents in holiday resorts, and visiting toy shops with dazzling displays and buying toys of every description.... you will indeed feel that they are innocent, artless, and infinitely happy. But in today's America, these children are, after all, a minority, and the overwhelming majority of children have no chance to enter the gates of "paradise" and a considerable proportion of children are living in hardship and poverty. The various problems their lives reflect are worrying for the whole society.

A child is naturally attached to its parents. The care and teaching of the mother, in particular, are invaluable assets for the child's physical and mental development. However, it is in this very respect that the reality of America is appalling: The results of a survey conducted by the Federal Census Bureau show that 2.8 million children nationwide (4.5 percent of all children in that country, the total number being 63.8 million) are given no parental affection at all. The number of children without fathers or without mothers, i.e., those in one-parent families, is even larger, totalling 15.8 million. These parentless or one-parent families are mostly much troubled problem families. For instance, they could be merely nominal families, perennially stuck in a gloomy and sad atmosphere because the parents were emotionally incompatible and have divorced; they could be families headed by unfortunate unmarried girls turned unwed mothers; or they could be families abandoned by parents who are poverty-stricken, addicted to drugs, or infected with AIDS....

Many of the one-parent families in the United States are supported by young mothers, and most of the parentless households are taken care of by grandparents. The environments in these two types of families are very detrimental to the life and growth of children. The primary expression of this problem is financial difficulty. During the 1980's, the number of children in America living in poverty went up 22 percent. The problem is especially serious in one-parent families with low incomes. Second, these families, having no family love or family happiness [as published], bring traumas to children's hearts. A survey conducted three years ago showed that as many as 10 percent of children and teenagers under the age of 18, i.e. 6.3 million, were suffering from certain mental diseases. Third, these families are almost devoid of effective family education as an extension of, or supplement to, school education. Therefore, the children of these families become spiritually handicapped weaklings, and the many unhealthy things in society can easily invade their bodies and souls: Drugs find markets among students; each day there are 135,000 students nationwide bringing firearms into classrooms; some middle schools have to distribute condoms among the students to prevent the spread of AIDS; and so on and so forth. Such are shocking examples.

People ask: Why is it that large numbers of children in the United States today cannot but pace up and down outside the gate of "paradise" during their transient golden years?

Experts, scholars, government officials, and ordinary citizens have offered their opinions on this. Most of the answers point to two root causes. One is that American children are facing ever-worsening poverty. According to statistics, one-fourth of children under the age of six all over the country live in households which are below the officially defined poverty line. Moreover, government actions have even contributed to the worsening of the poverty befalling children: From 1978 to 1987, U.S. Government spending on old-age care projects increased 52 percent, while that on child care projects dropped 4 percent. The second root cause is that large numbers of families in the United States have moved toward breaking up. A family breakup always spells a fatal [as published] blow to the children. U.S. Vice President Quayle, while commenting on the famous American TV series "Murphy Brown" recently, was critical on the sensitive issue of "unwed mothers" without much consideration, causing a mighty uproar. Yet, in his comments, he did make a pertinent point which President Bush agreed with: The decline of, and indifference to, the concept of family have had a damaging impact on American society. The suffering of tens of millions of children in the United States today is the best evidence for this remark.

Children are the hope and future of any country. The United States, which was always proud of the extent of its wealth and the exceptional welfare enjoyed by its children, has suddenly discovered that its attention to, and care for, its children are lagging far behind those of many other advanced countries around the world. People of insight in the United States have seen this problem and made this profound point: An average of only \$3,000 is needed to provide for a preschool child each year, whereas each prisoner costs an average of \$16,500 each year. The goal of the United States is of course to bring the children back into "paradise." But the road to "paradise" is not smooth.

Central Eurasia

Byelarus To Withdraw Strategic Nuclear Weapons

OW3005095792 Beijing XINHUA in English
0923 GMT 30 May 92

[Text] Moscow, May 30 (XINHUA)—Defense Minister of the Republic of Byelarus Pavel Kozlovskij said Byelarus will move strategic nuclear weapons from its territory and drastically cut its armed forces, the RED STAR [KRASNAYA ZVEZDA] reported today.

Kozlovskij made the statement during his interview with the newspaper.

According to an agreement reached at a summit conference of the CIS members, all strategic and tactical nuclear weapons in Byelarus must be moved to Russia to be destroyed. The tactical nuclear weapons had been sent to Russia.

In his statement, Kozlovskij pointed out the current goal of the Defense Ministry is to set up national armed forces. Apart from those incorporated into CIS strategic armed forces, other parts of the former Soviet Army deployed in Byelarus will be put under the control of Byelarus, he added.

He also said Byelarus first plans to slash its armed forces to 90,000.

Russia To Cut Southern Kuril Islands Troops

*OW3005032592 Beijing XINHUA in English
0243 GMT 30 May 92*

[Text] Moscow, May 29 (XINHUA)—All Russian troops except the frontier force will be pulled out of southern Kuril Islands in one or two years, Russian Defense Minister Pavel Grachev said today.

In a statement distributed by the Information Bureau of the Foreign Ministry, Grachev announced that the Russian troops and their command had started preparations for the withdrawal.

The armed forces "act strictly in accordance with the political decisions made by the state leaders," the defense minister stressed.

In an interview with KOMSOMOLSKAYA PRAVDA, President Boris Yeltsin made it known that he favored a five-phase solution to the issue of the southern Kuril Islands, a long-standing dispute between Russia and Japan, Grachev said.

The southern Kuril Islands are known in Japan as the four northern islands, or "Northern Territories."

Yeltsin's program set the action plan for the Russian armed forces, he added.

Rail Service Agreement Signed With Kazakhstan

*OW3105033292 Beijing XINHUA Domestic Service
in Chinese 0833 GMT 30 May 92*

[By Correspondent Zhang Jiaqi (1728 1367 0796)]

[Text] Urumqi, 30 May (XINHUA)—Yesterday afternoon, the People's Republic of China and the Republic of Kazakhstan reached an agreement on the opening of an international passenger railway service through the second Asia-Europe continental bridge from 20 June. Wu Changyuan, head of the PRC railway delegation; and (Omalov), head of the Republic of Kazakhstan railway delegation signed the agreement in Urumqi on behalf of their respective governments.

Northeast Asia

Further on NPC Head Wan Li's Japan Trip

Pays Visit to Kagawa Prefecture

*OW2905142792 Beijing XINHUA in English
1323 GMT 29 May 92*

[Text] Kagawa, Japan, May 29 (XINHUA)—Visiting Chinese parliamentary leader Wan Li said this evening that Kagawa Prefecture is not new to the Chinese people, because many noted people who devoted their lives to Sino-Japanese friendship had been brought up here.

He said over 1,100 years ago a famous monk from Kagawa went to China to study China's culture and religion and brought back China's friendship for Japan.

Wan Li, chairman of the Standing Committee of the National People's Congress (NPC), arrived in Japan on May 25 for an eight-day official goodwill visit to Japan at the invitation of the leaders of the two houses of the Diet (parliament).

His visit is also part of celebrations to mark the 20th anniversary this year of the normalization of bilateral ties between China and Japan.

The late Japanese former Prime Minister Masayoshi Ohira, also born in Kagawa, had made great contributions in his life time to the realization of normalization of Sino-Japanese ties and the development of friendly, good-neighborly relations and cooperation between the two countries, Wan Li said at a dinner here given by Kagawa Prefecture Governor Joichi Hirai in his honor.

With the great development of Sino-Japanese friendship and cooperation in the past 20 years since the normalization of bilateral relations through joint efforts of the two governments and peoples, the friendly exchange and cooperation between China and Kagawa had also made big headway, he added.

The Kagawa Prefecture governor in his welcoming speech shared Wan Li's views and expressed the hope that the friendship and economic cooperation between Kagawa and China, and Xian in particular, would be further strengthened.

Kagawa and China's Xian became sister cities 10 years ago. Since then the two sides have had frequent contacts and exchanges of visits.

Wan Li came to Kagawa from Hokkaido this afternoon to continue his visit to Japan. While in Hokkaido this morning he visited a sculpture garden, which is part of an art park.

Tomorrow he will proceed to Osaka, his last leg in Japan before returning to China on June 1.

Begins Visit to Osaka

*OW3105010392 Beijing XINHUA Domestic Service
in Chinese 1457 GMT 30 May 92*

[By reporter Liu Wenyu (0491 2429 3768)]

[Text] Osaka, 30 May (XINHUA)—China's NPC Standing Committee Chairman Wan Li and his party arrived by bullet-train in Osaka this evening to begin their friendly visit here after winding up a visit to Kagawa Prefecture this afternoon.

At a banquet this evening, Osaka Mayor Masaya Nishio extended a warm welcome to Chairman Wan Li and his party for their visit to Japan's Kansai area on behalf of Osaka Prefecture, Osaka City, and the Osaka Chamber of Commerce and Industry.

Proposing a toast, Mayor Nishio said that Osaka has had close historic and geographic ties with China. Osaka Prefecture and Osaka City have knotted sister-city ties with Shanghai; both sides are now engaging in brisk economic exchanges, and the scope of friendly exchanges is expanding.

He expressed the hope that Chairman Wan Li's visit will further promote the friendly relationship between Osaka and China.

In returning the toast, Chairman Wan Li said that Osaka is a major city in Kansai with a long history and thriving economy and culture and that it has played an important role in more than 2,000 years of friendly exchanges between China and Japan. In 20 years since the normalization of diplomatic relations between China and Japan, Osaka and the Kansai area have scored gratifying achievements in all areas of exchanges and cooperation with China and have effectively promoted the entire development of the Sino-Japanese relationship.

Chairman Wan Li said that the purpose of his visit to Japan is to promote the development of friendly cooperative relations between China and Japan. He said that thanks to the great support of the Japanese Diet, Government, and friends, the purpose of his visit has been realized. He said he firmly believed that the desire for generation after generation of friendly relations between the Chinese and Japanese people will surely be realized if the Chinese and Japanese Governments and peoples make joint efforts.

Nearly 100 friends from various circles, including Vice Governor Hideyoshi Furukawa of Osaka Prefecture and Vice Chairman Shigakazu Mino of the Osaka Chamber of Commerce and Industry, attended the banquet. Qian Changkui, China's consul general in Osaka, also attended the reception.

This morning, Chairman Wan Li and his party visited "Leiouma World," the biggest general recreation park in western Japan. Surrounded by sea and mountains on both sides, the beautiful scenery of the "Leiouma World" was compared to the "Shangri-la" of Kagawa Prefecture.

On their way from Kagawa Prefecture to Osaka this afternoon, Chairman Wan Li and his party also toured a famous bridge. Seto Bridge, the world's longest double-decked bridge with a total length of 37.3 km, links Honshu and Shikoku. From faraway, it looks like a silver dragon lying in the vast blue sea.

Concludes Visit, Leaves for Home

*OW0106064392 Beijing XINHUA in English
0636 GMT 1 Jun 92*

[Text] Osaka, June 1 (XINHUA)—Chinese parliamentary leader Wan Li concluded his eight-day official goodwill visit to Japan and left here for home this afternoon.

A Chinese official accompanying Wan on the trip described the visit as successful and said that it had achieved the expected goals and deepened mutual understanding and friendship between the two countries.

Wan, chairman of the Standing Committee of the National People's Congress (NPC), came to Japan at the invitation of both houses of the Japanese Diet (parliament) as part of a series of activities marking the 20th anniversary of the normalization of diplomatic relations between China and Japan.

During his stay in Tokyo, the Chinese parliamentary leader met with Japanese Emperor Akihito, held talks with Prime Minister Kiichi Miyazawa, Foreign Minister Michio Watanabe, and leaders of both houses of the Diet.

Wan Li also had extensive contacts with business leaders and officials from the ruling and opposition parties.

During the visit, the Chinese parliamentary leader reached agreement with his Japanese counterparts that the two parliaments should further promote their friendship and cooperation so as to make greater contributions to the overall development of the relations between the two countries, the official said.

After Tokyo, Wan traveled to Japan's northernmost prefecture of Hokkaido, and the Kagawa Prefecture on the Shikoku Island before arriving in the industrial city of Osaka last Saturday.

Before concluding his visit, Wan spent one hour visiting the Matsushita Electric Co. Ltd, the giant electric producer which had set up several joint ventures in China.

Sakurauchi Bids Wan Li Farewell

*OW3105205692 Beijing XINHUA Domestic Service
in Chinese 1414 GMT 31 May 92*

[By reporter Liu Wenyu (0491 2429 3768)]

[Text] Osaka, 31 May (XINHUA)—Yoshio Sakurauchi, speaker of Japan's House of Representatives, made a special trip from Tokyo to Osaka today to bid farewell to Wan Li, chairman of the Standing Committee of the National People's Congress [NPC], and his entourage before their departure for home tomorrow. Both sides maintained that Chairman Wan Li's trip had been successful.

During his farewell speech, Speaker Sakurauchi said: The visit by Chairman Wan Li has greatly inspired the Japanese people and is expected to encourage people in all sectors of Japan to further develop Japanese-Chinese relations.

Chairman Wan Li said: I have witnessed Japan's great development here during my first trip to the country since my visit a decade ago. I feel that Sino-Japanese friendship has taken deep root among the Japanese people. He once again expressed his thanks to Speaker Sakurauchi, asking the latter to convey his heartfelt thanks to His Majesty the Emperor, Prime Minister Miyazawa, and Nagata, speaker of the House of Councilors.

Chairman Wan Li arrived in Japan on 25 May for an official goodwill visit. He was invited by the speakers from Japan's House of Councilors and House of Representatives. During the visit, Chairman Wan Li met with Emperor Akihito; held talks with Yoshio Sakurauchi and Yuji Nagata, respectively speakers from the House of Representatives and the House of Councilors; and met with Prime Minister Miyazawa, Foreign Minister Watanabe, and friends from both houses of the Diet. He also visited Sapporo, Kagawa, and Osaka. Wherever he went, Chairman Wan Li received a warm welcome and kind hospitality from friends in all segments of the Japanese Government and populace.

Members of Chairman Wan Li's entourage observed: The visit has been very successful. Through talks, meetings, and extensive contacts, the Chinese and Japanese sides reached a consensus on further developing Sino-Japanese friendship. Both sides maintained that the development of Sino-Japanese friendship and cooperation conforms to the common interests of their countries and peoples, and that it is conducive to peace and stability in the Asia-Pacific region and in the world at large. They signaled a desire to continue to work together so as to open up a new chapter in Sino-Japanese relations on the basis of existing friendship and cooperation, and to maintain the friendship between their peoples for generations to come.

At the request of the Japanese side, Chairman Wan Li gave briefings on China's economic construction and reform on several occasions. He also visited Japanese industrial, communications, livestock farming, and cultural establishments to understand the development of those sectors. Chairman Wan Li said to his Japanese friends: In accordance with Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics, China is accelerating its pace of reform and openness, and is concentrating its efforts on economic construction. China will learn the advanced scientific, technological, and management knowhow of all countries, including Japan. It is hoped that Japan will further strengthen cooperation and exchanges with China in the scientific, technological, and economic spheres. The Japanese side expressed a willingness to support and cooperate with China in carrying out the latter's reform and open program and in developing its economy.

During the visit, both the Chinese and Japanese sides indicated the need for promoting exchanges and cooperation between the NPC and the Japanese Diet and for contributing toward Sino-Japanese friendship.

Official Says Visit 'Successful'

OW3105135292 Beijing XINHUA in English
1338 GMT 31 May 92

[Text] Osaka, Japan May 31 (XINHUA)—The visit to Japan by Chinese parliamentary leader Wan Li was well received and very successful, an official in the visiting Chinese delegation said here today.

The official said that the two sides had agreed to further develop the friendly relations between China and Japan.

They maintained that the development of friendship and bilateral cooperation not only conforms to the common interest of the two countries and peoples, but also contributes to peace and stability in the Asia-Pacific region and the world at large, the official said.

Wan Li, chairman of the Standing Committee of the National People's Congress [NPC], arrived in Japan on May 25 for an eight-day official goodwill visit at the invitation of Japan's two house leaders.

During his visit, the Chinese parliamentary leader met with Emperor Akihito, House of Representatives Speaker Yoshio Sakurachi, House of Councillors President Yuji Osada,

Prime Minister Kiichi Miyazawa, Deputy Prime Minister and Foreign Minister Michio Watanabe and other Japanese officials.

The Chinese official said that Japan had promised to lend support and cooperate with China in its economic development and reforms.

The two sides have also expressed the hope that the two parliaments further strengthen cooperation, the official added.

Wan Li today attended a luncheon given in his honor by Ichizo Kimura, chairman of the Japan-China Economic and Trade Center here.

Wan called on foreign investors to invest in China, saying that China had adopted a policy of opening up to the outside world and enjoys political stability.

Wan cited Chinese senior leader Deng Xiaoping as saying that China's policy of opening up and reforms will not change in one hundred years and foreign investors could lay to rest any misgivings they might have had about investing in China.

Early today, Wan also visited Osaka Aquarium, which put on a simulated Pacific Ocean aquatic animal world show for him.

The delegation will leave here for China tomorrow afternoon.

Legal Figures To Ask Japan for 'Stolen' Relics

HK0106021292 Hong Kong MING PAO in Chinese
30 May 92 p 5

["Special dispatch": "China's Legal Circles Plan To Ask Japanese Emperor To Return Historical Relics Taken by Japan's Royal Family"]

[Text] A number of personalities from China's legal circles, who have initiated a nongovernment drive demanding war reparations from Japan, recently came up with the following plan: They will suggest to the Japanese that when Emperor Akihito visits China, he should furnish China with a list of all valuable relics of the Japanese royal family which had been stolen from China during the Second World War and return them to China to signal a start in its war reparation payment to China.

In an interview with this reporter, Tong Zeng, the young legal expert from Beijing who has taken an active part in this activity, indicated that based on historical records, parts of the treasures taken by Japan following its war victories went to the Japanese emperor. For instance, after the Sino-Japanese War of 1894-95, Japan demanded 200 million taels of silver from China, 6 percent of which was turned over to the Japanese royal family. Even though Japan enacted a law in 1945 declaring that all properties of the royal family would henceforth belong to the state, some historical relics and antiques remained part of the royal family's permanent heirlooms.

According to Tong Zeng, it is their understanding that the Japanese royal family has a well-kept record of the amount

and origin of the treasure in their vault, including the valuable relics stolen from China and offered to the Japanese emperor by the Japanese Army during the Second World War.

It was also learned that Tong Zeng and other members of the legal circles are presently collecting materials to make a formal demand to the Japanese. According to Tong Zeng, they hope that when the Japanese emperor visits China, he will apologize to the Chinese people not only verbally but also with some practical gestures.

Wan Li, chairman of the PRC National People's Congress Standing Committee, is presently visiting Japan as part of an important exchange to mark the 20th anniversary of the normalization of diplomatic relations between China and Japan. But Wan Li did not mention anything about inviting the Japanese emperor visiting China while in Tokyo.

Japanese Joint Venture Starts Tarim Basin Survey

OW2905142692 Beijing XINHUA in English
1326 GMT 29 May 92

[Text] Urumqi, May 29 (XINHUA)—A seismic survey team formed jointly by China and Japan began operations to explore for oil and gas resources on May 23 in the southwestern part of the Tarim Basin.

This marks the first occasion China and Japan have joined forces for oil and gas exploration.

The survey team, consisting over 200 Chinese and Japanese technicians, plans to complete a seismic survey in the 3,500 square kilometer Kashi and Yecheng sections of the basin over the next four and one-half years.

The Japanese will invest over 60 million U.S. dollars in the project, and the two sides each send 12 senior technical personnel to participate in project.

The Tarim Basin, which covers 560,000 square kilometers, is estimated to be China's largest basin filled with abundant oil and gas reserves. In 1977, Chinese survey teams discover an oil and gas field in the southwestern part of the basin.

This latest effort is designed to clearly define geological formations in the area.

Guangdong Delegation Departs for Japan Visit

OW3105163592 Beijing XINHUA in English
1446 GMT 31 May 92

[Text] Guangzhou, May 31 (XINHUA)—A friendly delegation from China's Guangdong Province left here this afternoon to pay a 10-day official goodwill visit to Japan at the invitation of the Japanese Foreign Ministry.

The delegation is headed by Secretary Xie Fei of the Guangdong Provincial Committee of the Chinese Communist Party.

The visit comes on the occasion of celebrating the 20th anniversary of the normalization of Sino-Japanese diplomatic ties.

During their stay in Japan, the delegation will also pay an official visit to the Hyogo Prefecture, which had established friendly relations with Guangdong Province 10 years ago.

DPRK Group 'Successfully' Ends Shandong Visit

SK3005052892 Jinan Shandong People's Radio
Network in Mandarin 2300 GMT 29 May 92

[Text] After successfully winding up its four-day visit to Shandong Province, the delegation of the Supreme People's Assembly in the DPRK, headed by Yang Hyong-sop, chairman of the Standing Committee of the Supreme People's Assembly, left Jinan by train on the afternoon of 29 May. Seeing the delegation off at the railway station were Li Zhen, chairman of the provincial People's Congress Standing Committee; Xu Xuemeng, vice chairman of the provincial People's Congress Standing Committee; and Li Yuanrong, chairman of the Jinan City People's Congress Standing Committee.

Over the past several days the Korean guests toured and visited Jinan, Qufu, and Taian. They were accompanied by Peng Chong, vice chairman of the National People's Congress Standing Committee, Li Zhen, chairman of the provincial People's Congress Standing Committee, and Xu Xuemeng, vice chairman of the provincial People's Congress.

Just before leaving, Chairman Yang Hyong-sop said: The current visit has left a deep impression on us and has made us personally understand how deep the friendship between Korea and China is.

On the morning of 29 May, the Korean guests visited (Daibei) Farm Produce Market and (Fengtai) Village and observed in (Fengtai) village-run enterprises and agricultural production and visited some peasant households. After being briefed on (Fengtai) Village's development since the third plenary session of the 11th party Central Committee, Chairman Yang Hyong-sop said: Your achievements have shown the correctness and importance of working hard to pioneer projects along the road of common prosperity by upholding the socialist orientation under the leadership of the CPC. May you score even greater achievements in reform and opening up.

Southeast Asia & Pacific

Yang Shangkun Meets Indonesian Delegation

OW2905124792 Beijing XINHUA in English
1235 GMT 29 May 92

[Text] Beijing, May 29 (XINHUA)—Chinese President Yang Shangkun expressed hope today for enhanced Sino-Indonesian relations.

Yang made the remark during a meeting in Beijing with a delegation of Indonesian presidential advisors, led by G.P.H. Djati Kusumo [name as received], a member of the Indonesian president's advisory committee.

According to official sources, the two sides held "cordial and sincere" talks.

Yang said that the frequent exchange visits between high-ranking officials since the two countries resumed diplomatic relations in August, 1990, have greatly enhanced bilateral relations. He expressed hope that relations will be expanded in various sectors.

Yang said that China and Indonesia are large nations with a combined population of over 1.3 billion. He noted that the further development of the economies of the two countries will not only benefit each individual country, but will also be beneficial to maintaining world peace.

Kusumo said the delegation came to China to learn more about the country's scientific and technological development, especially agricultural.

Since his arrival in Beijing on May 27 at the invitation of the Chinese People's Institute of Foreign Affairs, Kusumo had also held working talks with the institute's president, Liu Shuqing.

Philippine Envoy in Lhasa; Meets Mao Rubai

OW3105053392 Lhasa Tibet People's Radio Network in Mandarin 1430 GMT 30 May 92

[From the "News and Information" program]

[Text] Mao Rubai, deputy secretary of the Tibet Autonomous Regional CPC Committee and vice chairman of the Tibet Autonomous Region, met with visiting Philippine Ambassador to China Mabilangan and his wife at the Holiday Inn on 29 May. The host and guests conducted warm and friendly talks.

Mao Rubai said that the central government's support in the past 40 years has brought about tremendous changes in Tibet. I have worked in Tibet for 31 years and have personally witnessed those changes. The state's financial subsidies to Tibet over the past 40 years totaled 17.7 billion yuan. In 40 years of development, people in Tibet have come to realize that the key to a prosperous and strong Tibet lies in the leadership of the Communist Party of China. As other regions, Tibet is now accelerating the pace of reform and opening up. Several years from now, Tibet will experience more changes. Mao Rubai said that a stable social environment is required to develop the economy and raise people's living standards. Therefore, we resolutely oppose the acts of a small number of people who try to split the country.

Ambassador Mabilangan said that it is very important to have a stable environment. Only with a stable environment can people devote full attention to construction. In the last few days of our visit, we have noticed the maintenance work at Potala Palace and at some monasteries. We can see that the Chinese Government pays attention to and protects Tibetan culture.

Vice Chairman Mao Rubai said that the state has appropriated 36 million yuan to maintain Potala Palace. The scale of current renovation work is by far the largest since the construction of Potala Palace.

Ambassador Mabilangan and his party arrived in Lhasa on 26 May; they will leave for Beijing on 31 May.

Yang Shangkun Meets Thai Visitor, Views Taiwan

HK3105015292 Hong Kong WEN WEI PO in Chinese 30 May 92 p 2

[Dispatch by staff reporter Chen Chien-Ping (7115 1696 1627): "President Yang Shangkun Comments on Taiwan Authorities' Proposal, Saying Central Government Will Never Accept 'Cross-Strait' Nonaggression Treaty"]

[Text] Beijing, 29 May (WEN WEI PO)—Chinese President Yang Shangkun indicated in a meeting with visiting Thai guests here today that the Chinese Central Government will not accept the proposal of the Taiwan authorities on the signing of a "nonaggression treaty between the two sides of the Taiwan Strait." This was the first response ever given by Chinese state leaders on Taiwan's proposal.

Talking about the above issue, President Yang Shangkun said: We will by no means accept the proposal to sign a cross-straits nonaggression treaty, for our signing of the treaty will virtually mean that we recognize two governments. Talks between two governments are absolutely out of the question, and we always stand firm on this issue.

It is said that since the Taiwan authorities put forward the proposal on signing a cross-straits nonaggression treaty, the hierarchy of the CPC Central Committee has explicitly expressed its firm stand, stressing that the principle of holding equal talks between the Communist Party of China and the Kuomintang should remain unchanged. The CPC has also made it clear that it does not intend to engage itself in written polemics against the Taiwan authorities on the above proposal. In other words, the CPC will neither change its principle nor launch a battle of words.

It has been disclosed that while talking about Taiwan-related work not long ago, Yang Shangkun indicated: Deng Xiaoping's remarks during his southern trip are very important. We should implement the spirit of his remarks in our work toward Taiwan. According to the spirit of Deng Xiaoping's remarks, peaceful reunification is still a long-term task confronting us. Since more and more Taiwan compatriots will come to the mainland, we should continue to make a success of Taiwan-related work. Yang Shangkun called for more flexible and less rigid efforts to carry out Taiwan-related work, including propaganda toward Taiwan. He emphasized that the principle of "one country, two systems" and the principle that the Chinese central government should be located in Beijing will remain absolutely unchanged.

During his meeting with Hsieh Hui-ju, a well-known Thai businessman of Chinese origin, in the Great Hall of the People this afternoon, President Yang Shangkun also indicated: We welcome Mr. Hsieh and other Overseas Chinese and Chinese friends to come to China at your convenience and take a look at the development China has attained in the political, economic, and other fields. We hope that you can put forward valuable opinions and suggestions.

Yang Shangkun said: It is under the guidance of the policy of reform and opening up that China has attained the progress in the past decade and more. He said that at present, the whole country is implementing the spirit of

Deng Xiaoping's remarks during his southern trip, speeding up the pace of reform and opening up, and further improving the investment environment, with a view to creating better conditions for rapid economic growth and more foreign investment. He also expressed his hope that more friends will make investments in China.

During the meeting, Yang Shangkun spoke highly of Mr. Hsieh for his close concern over the development of all social undertakings both in Thailand and China, especially over the construction of his original homeland of Chaozhou, Guangdong Province. Yang Shangkun expressed his thanks to Mr. Hsieh and other friends for their aid to flood-stricken provinces in southern China.

CPC Adviser Meets Thai Entrepreneur

OW3105070992 Beijing XINHUA in English
0644 GMT 31 May 92

[Text] Beijing, May 31 (XINHUA)—Wang Shoudao, Standing Committee member of the Central Advisory Commission of the Chinese Communist Party (CPC) and president of the China Population Welfare Foundation, met here today with Pricha Phisitkasem, a noted Thai social activist and entrepreneur of Chinese descent.

Pricha Phisitkasem became a director of the China Population Welfare Foundation shortly after the organization was founded in 1987 and has since been "actively supporting" its work, according to foundation officials.

At today's meeting, Wang expressed appreciation for Pricha Phisitkasem's efforts in this regard. Pricha Phisitkasem wished the foundation constant expansion, which, he said, will bring increasing benefit to the Chinese people.

New Zealand May Restore Fiji Military Aid

OW0106031192 Beijing XINHUA in English
0247 GMT 1 Jun 92

[Text] Wellington, June 1 (XINHUA)—The New Zealand Government would assess whether the Fiji people had accepted the result of the weekend election before it decides on restoring military links with the island country.

A spokesman for the Minister of External Relations and Trade Don McKinnon has said that New Zealand would be in no rush to resume military aid, which was stopped in 1987 after the coup there.

"There are no plans at this stage to resume military contact," the spokesman said.

It had been a consistent policy of New Zealand that any resumption of military aid to Fiji would depend not only on the elections but also on an assessment by the government of a general acceptance of the result by the Fiji people, the spokesman added.

The major military links between New Zealand and Fiji up to 1987 involved training Fijian troops in New Zealand and maritime surveillance flights by New Zealand aircraft.

After the links were severed in 1987, Fiji had since turned to France, China, China's Taiwan and South Korea for help in patrolling its seas, local sources told XINHUA today. But

military training in New Zealand is likely to resume once official approval is given, the sources said.

The first post-coup election resulted in the forming of a coalition government by seven parties who shared 70 parliament seats.

President Penaia Ganilau Ratu is expected to announce the prime minister between the choice of former coup leader Sitiveni Rabuka and former finance minister Josevata Kamikamica today.

The constitution provides that president decides who will assume prime ministership.

Near East & South Asia

Sudan Minister Seeks Help To Improve Irrigation

Proposes Companies 'Beef Up' Presence

HK0106055492 Beijing CHINA DAILY in English
1 Jun 92 p 2

[By staff reporter Wang Yong: "Sudan Group Seeks Irrigation Expertise"]

[Text] A country from one of the most arid regions of the world has proposed an overall plan to seek China's help in improving its irrigation systems.

The plan was announced in Beijing over the weekend when Sudanese Minister of Irrigation Ya'qub Musa Abu-Shura met Tian Runzhi, Chinese assistant minister of the Ministry of Foreign Economic Relations and Trade.

The Sudanese official proposed that companies from the two countries set up joint ventures in the near future.

In the meantime, as those ventures are established, Chinese companies should take advantage of Chinese Government loans to Sudan to beef up their presence in Sudan, the Sudanese official said.

Chinese companies also can engage in engineering contracting and providing labourers in his country, he said.

Echoing this viewpoint, Tian said he will encourage more Chinese companies to bid on Sudanese projects.

So far, Chinese companies have signed 188 contracts, valued at \$70 million, to provide labourers to Sudan, Tian said.

During his stay in China, the Sudanese minister will visit the Ministry of Water Resources and some provinces and cities to seek business partners.

Moreover, he is expected to sign a contract to use the remaining amount of Chinese loans for irrigation projects.

He said Sudan is involved in an ambitious 10-year plan to develop its irrigation systems.

Bilateral trade has fluctuated between \$50 million and \$100 million between the countries in the past few years, Tian noted. China mainly imports cotton from Sudan.

Li Lanqing Meets Abu-Shura

OW2905125992 Beijing XINHUA in English
1213 GMT 29 May 92

[Text] Beijing, May 29 (XINHUA)—Li Lanqing, Chinese minister of foreign economic relations and trade, met with Dr. Ya'qub Musa Abu-Shura, minister of irrigation of the Sudan, and his party and gave a dinner in their honor here this evening.

Ya'qub, who has come here for a visit as guest of the host ministry, is expected to hold talks with leading members of a company under the ministry on matters related to China's supply of construction machinery to the Sudan.

Middle East Trade Delegation Plans Visit

HK3105064492 Beijing CHINA DAILY (BUSINESS WEEKLY) in English 31 May 92 p 1

[By staff reporter Wang Yong: "Arab Talks Seek To Enliven Stale Trade"]

[Text] A high-powered trade delegation representing 15 Arab nations arrives in Beijing late in June with the promise of new markets and cash for Chinese products and projects.

The timing of the trip is significant for both sides, said an official with the China Council for the Promotion of International Trade, who asked not to be named.

It's the largest trade meeting between the two sides since the Gulf war, which caused significant losses for many Arab nations, the official said.

From the Chinese side, the conference is planned against the backdrop of China opening its markets wider to foreign investors.

The Arab delegation, which includes representatives from Saudi Arabia, Kuwait, Egypt and Bahrain, was invited by the council to attend the first joint conference of the Arab-Chinese Chamber of Commerce, established in 1984.

"Both sides have a vast market potential to offer each other," the council official said. "Moreover, the Arab's money box is full."

The meeting will concentrate on how to tap that money by upgrading the quality of Chinese exports to Arab nations and attracting more Arab investment to China.

Chinese exports sometimes have failed to satisfy Arab standards.

From the Chinese side, officials complain that Middle Eastern investment in China leaves much to be desired in terms of total volume.

The only massive Arab-funded project, a petroleum refining factory, was set up by the United Arab Emirates in Shenzhen. China is United Arab Emirates' fourth-largest trading partner, Chinese statistics show.

"The problem is that some Arab nations do not know Chinese markets and its investment environment well," the Chinese official said.

Bilateral economic co-operation, which is growing, will also be under discussion.

Chinese business people are expected to submit a package of items for consideration—joint ventures and other co-operative arrangements—either in China or in Arab countries.

China's technology and equipment have been involved mainly in the processing of petrochemical products in Arab nations.

The Arab delegates, most of whom are chairmen of national chambers of commerce, are expected to visit other cities in China after the conference in Beijing.

To further expand trade relations between China and Arab nations, the Chinese council and the Gulf Organization for Industrial Consulting will co-sponsor a China-Gulf Investment and Business Forum in Beijing this October.

About 80 delegates from the Gulf Arab nations, including heads of the industrial departments and the companies from free trade zones, are expected to attend.

About the same time, the council will send a group to survey Arab markets in northern Africa.

China's Ningxia Hui Autonomous Region, home to many of the country's Muslims, is anxious to attract Arab investment.

Ningxia has decided to lean towards Southeast Asian nations with Muslim populations in its strategy to develop Arab trade links.

ANC Vows Mass Action To Force RSA Reform

OW3105195992 Beijing XINHUA in English
1924 GMT 31 May 92

[By Teng Wenqi]

[Text] Johannesburg, May 31 (XINHUA)—The African National Congress (ANC) today vowed to take mass action to quicken South Africa's political reform which it said had entered "a decisive period" in bringing about an end to the white minority rule.

"South Africa has entered a decisive period in which the issue of transfer of power from the white minority regime to the people as a whole is on the immediate agenda," said a statement adopted here this afternoon by a four-day ANC conference on the party's policy guidelines.

"The transfer of power which should lead to the fundamental transformation of our society can be achieved in the shortest possible time," a report of the special commission on negotiations adopted by the conference said.

The report, which outlined a program of action, stressed that only mass pressure can compel the national party to commit itself to the logical outcome of negotiations, and "unless the majority of South Africans participate actively in shaping that process, negotiations must fall."

Constitutional talks between ANC and its allies for one part and the ruling national party for the other were deadlocked at the second plenary session of the Convention for a

Democratic South Africa (CODESA) which was held on May 15-16. And the two sides have stepped up a verbal war over the past two weeks.

However, in the newly adopted ANC program of action, the black nationalist movement reaffirmed that its dedication to the negotiation process "remains unchanged" and that it will take mass action to make the majority's voice heard.

"The ANC and its allies are pledged to finding ways to give the disenfranchised majority a voice through mass action. We demand that the national party end its resistance to a speedy transition to democratic rule," the ANC report said.

It emphasized that mass action is not merely aimed at breaking the deadlock of the CODESA but also at taking the ANC on-going struggle "to new and unprecedented heights, until a democratic order is ushered in."

The ANC conference also approved the party's policy guidelines for a democratic south africa which include constitutional principles and structures, economic policies and basic principles on local governments.

The ANC document called on all South African people to take part in the process of drawing up and adopting a new constitution for the country. This principle, it added, is enshrined in the demand for a constituent assembly made up of mandated representatives of the people elected in non-racial elections.

The ANC policy-making conference was held on May 28-31 in the southern suburbs of Johannesburg and attended by 800 delegates representing various regions and departments, the Women's League and the Youth League.

Sub-Saharan Africa

Wu Shaozu Accompanies Benin President in Shanghai

Visit Suburbs, Silk Mill

OW3105153492 Beijing XINHUA in English
1433 GMT 31 May 92

[Text] Shanghai, May 31 (XINHUA)—Benin President Nicephore Soglo left Shanghai today by special plane after ending his visit to China.

Soglo arrived in Shanghai Saturday. Accompanied by Wu Shaozu, chairman of the Chinese Government Reception Committee and minister in charge of the State Physical Culture and Sports Commission, the president and his party visited Shanghai's suburbs and a silk mill.

During their stay in China, Soglo and his party also toured Fuzhou and Xiamen cities in east China's Fujian Province.

Benin President Ends Visit

OW3105144692 Shanghai People's Radio Network
in Mandarin 1000 GMT 31 May 92

[By reporter Yao Shukun; from the "News and Weather" program]

[Text] Vice Mayor Zhao Qizheng met and hosted a luncheon for Beninese President Nicephore Soglo, his wife, and

their entourage at the Hongqiao Guest House today. They had a cordial and friendly talk.

Briefing the distinguished guests on Shanghai's general situation at the meeting, Zhao Qizheng said: As an old industrial base, Shanghai is accelerating its reform drive. The development and construction in Shanghai, in turn, has presented us with new circumstances. Zhao Qizheng said he welcomed investments from and cooperation with foreign businessmen in a bid to accelerate the development of east Shanghai.

In an enthusiastic speech, President Soglo noted that profound changes had taken place in Shanghai since he visited here eight years ago. He hailed China and Shanghai as models to be emulated by developing countries.

Beninese President Soglo, his wife, and their entourage arrived in Shanghai by special plane on the evening of 30 May, accompanied by Wu Shaozu, head of a Chinese Government reception group and minister in charge of the State Physical Culture and Sports Commission. Director (Xu Zhaochun) of the Shanghai Foreign Affairs Office and Director (Jin Yongchang) of the Shanghai Physical Culture and Sports Commission met the guests at the airport.

President Soglo and his party visited (Xujin) Township in Qingpu County and the Shanghai First Silk Printing and Dyeing Mill. They also toured the city and enjoyed a night view of the bustling Nanjing Road.

This afternoon, Beninese President Soglo ended an official goodwill visit in China and left Shanghai by special plane.

East Europe

Envoy Holds Fete for Romanian Consular Treaty

OW3105112792 Beijing XINHUA Domestic Service
in Chinese 0253 GMT 29 May 92

[Text] Bucharest, 29 May (XINHUA)—The ceremony for exchanging instruments of ratification of "The Consular Treaty Between the People's Republic of China and Romania" was held at the Romanian Ministry of Foreign Affairs on 29 May.

On behalf of their respective governments, Li Fenglin, Chinese ambassador to Romania, and Adrian Dohotaru, deputy state secretary of Romania's Ministry of Foreign Affairs, exchanged the instruments.

The treaty was signed in Beijing on 16 January 1991 when Romanian President Iliescu visited China. The treaty shall come into force 30 days after the exchange of instruments.

XINHUA on Serbian Response to UN Sanctions

OW0106031792 Beijing XINHUA in English XINHUA
0255 GMT 1 Jun 92

[Text] Belgrade, May 31 (XINHUA)—Serbian President Slobodan Milosevic said here today that Serbia would resist the economic and political sanctions imposed by the United Nations Security Council.

The president made the remarks when he participated in the parliament elections of Yugoslav Federation. This is the first official response made by Serbian leaders over the UN sanctions against Yugoslavia.

In another development, Serbian Prime Minister Radomir Bozovic pointed out that the UN sanction against Yugoslavia is unjust and it would bring about grave losses to Yugoslavia's economy.

The prime minister continued in a televised speech that the UN sanction is aimed at imposing political pressures on Yugoslavia and Serbia, denying Yugoslav people's democratic desire to live in a common country and forcing invasion of Bosnia-Herzegovina on Serbia.

Bozovic noted that Serbia would continue to render humanitarian assistance to ethnic Serbians in Bosnia-Herzegovina, saying that only when the three ethnic Serbians [passage as received] live together can they achieve real peace.

He said the sanction can not solve the problem. If the international community show their real concern over peace and stability in the region, a solution should be sought on the basis of facts, he added.

Romania Denies Provision of Tanks to Moldova

*OW0106025092 Beijing XINHUA in English
0236 GMT 1 Jun 92*

[Text] Bucharest, May 31 (XINHUA)—The Romanian Foreign Ministry today denied the charge that Romania has provided tanks and sent military advisors to Moldova.

The ministry said in a statement through television that Romania only supplied transport equipment and floating bridge through trade channel. The Russian military attache in Bucharest was informed of these supplies, the statement added.

Romania only sent 24 military observers on the basis of the agreement signed by the foreign ministers from Russia, Ukraine, Moldova and Romania.

The statement reaffirmed that the Romanian government supports the peaceful resolution of the conflict on the left bank of Dniester River.

Russian military leaders said Saturday that Romania supplied tanks and military experts to Moldova during its civil war. But the Moldovan Defence Ministry also denied Russia's claim.

Latin America & Caribbean

Li Ruihuan Meets Cuban News Agency Director

*OW0106092892 Beijing XINHUA in English
0908 GMT 1 Jun 92*

[Text] Beijing, June 1 (XINHUA)—Li Ruihuan, a member of the Standing Committee of the Political Bureau of the Central Committee of the Communist Party of China, today called on newsmen to adapt to changing trends and do their best to accurately present China's new effort to accelerate reform and opening to the outside world.

Li made his call this morning during a meeting with Pedro Margolles Villanueva, director of the PRENSA LATINA—the Cuban state news agency, at the Great Hall of the People here.

Li noted that in recent months, Chinese citizens throughout the country have studied and have actively implemented the statements made by Deng Xiaoping during his inspection tour of south China earlier this year.

According to Li, the remarks made by the veteran leader inspired people throughout China to make a greater effort to accelerate the pace of reform and opening, and to promote economic development.

Li said that journalists shoulder a great responsibility in light of the current situation.

He went on to say that it is imperative for journalists to follow contemporary trends, disseminate the policies of the party, seek out the actual situation throughout the country, report on the experiences of advanced units and outstanding individuals, and provide guidance to the people in regards to studying relevant issues.

Villanueva [as received], who first visited China in 1986, said that news agencies play an important role in promoting a mutual understanding between people.

He noted that during the current visit he has held in-depth discussions with leading members from XINHUA news agency regarding the possibilities for expanding bilateral cooperation.

Villanueva noted that his agency is willing to contribute to further improving cooperation with its Chinese counterpart.

Mu Qing, the president of XINHUA, attended the meeting.

Villanueva and his party arrived here on May 28 at the invitation of XINHUA.

'High-Level' Trade Delegation To Visit Argentina

HK3105074692 Beijing CHINA DAILY (BUSINESS WEEKLY) in English 31 May 92 p 3

["Trade Ties" column by Wang Yong: "Argentina"]

[Text] China will send a high-level trade delegation to Argentina later this year to shore up bilateral trade, which has sagged from its heyday in the early 1980s, a senior Chinese trade official said.

Wang Zhiqian, deputy director general of the Department of American & Oceanian Affairs under the Ministry of Foreign Economic Relations and Trade (Mofert), said he thinks Sino-Argentine economic co-operation will continue upward this year from last year's small increase over 1990.

The Chinese trade delegation will attend the ninth session of the Argentina-China Commercial and Economic Co-operation Mixed Committee during the coming visit.

"Both countries' economic strengths mesh well with each other's needs," Wang said, noting that China would continue to import such products as wheat, steel and wool from Argentina.

He said some Chinese products are competitive in price and fit Argentina's consumption level on the whole.

China mainly exports textiles, machinery, equipment for agriculture, medicine and light industry products such as home appliances to Argentina.

China has been on the short end of a trade imbalance with Argentina for many years.

Bilateral trade hit a record \$640 million in 1983. But the trade was lopsided: At the time, China imported 99 percent of the total bilateral trade—about \$638 million.

Last year, China imported about \$300 million worth of products from Argentina and exported \$50 million.

In 1966 (before the two countries established diplomatic relations in 1972), China's imports from Argentina already surpassed \$100 million.

Wang said Argentina has been an important trading partner of China in Latin America, partly because it possesses abundant natural resources.

"And both governments have attached great importance to developing economic relations," he said.

As Latin America has become a priority area in China's recent drive to diversify its overseas markets, some Chinese trade companies, like the China National Metals and Minerals Import and Export Corporation and the China National Cereals, Oils & Foodstuffs Import and Export Corporation have either opened representative offices or branches in Argentina.

Argentina has approved the establishment of a free trade zone 60 kilometres away from Buenos Aires and near the La Plata River, which provides potential markets for Chinese products.

Bilateral economic and technical co-operation is growing and promises to grow further in the years to come, Wang said.

China has been successfully involved in co-operative fishing projects in Argentina in the past few years.

In the meantime, Argentine-made steel grain silos for storage have been welcome in Chinese markets, Wang said.

Political & Social

List of Political Bureau Candidates Drafted

HK3105074092 Hong Kong CHENG MING
in Chinese No 176, 1 Jun 92 pp 6-7

["Notes on Northern Journey" by staff reporter Luo Ping (5012 0393): "List of Candidates for Political Bureau of 14th CPC Central Committee Preliminarily Made Out"]

[Text] A list of candidates for the Political Bureau of the 14th CPC Central Committee has been made out. Apart from the 15 incumbent members, several new candidates have been added to the list. Deng's faction has got most of the seats. Li Xiannian objected to the election of Hu Qili as a candidate to the Political Bureau, and Chen Yun on his part crossed three candidates off the list, including Zhu Rongji. The list of candidates for members and alternate members of the CPC Central Committee also has been drawn up. Deng Xiaoping aired his personal view on the draft of the report to be rendered to the 14th CPC National Congress: Prevention of "leftism" as the crucial point must be more thoroughly elaborated.

List of Candidates Submitted to Political Bureau, Deng Xiaoping, and Chen Yun

After intense wrestling, the list of candidates for the Political Bureau of the 14th CPC Central Committee now has been released within the higher leadership.

On 2 May, the working group for preparations for the 14th CPC National Congress submitted a list of candidates for members of the Political Bureau, and members and alternate members of the 14th CPC Central Committee to the present Political Bureau and to Deng Xiaoping, Chen Yun, Li Xiannian, and Peng Zhen, as well as to the Central Advisory Commission.

This list includes 18 new candidates, apart from the incumbent members, namely: Jiang Zemin, Li Peng, Qiao Shi, Yao Yilin, Song Ping, Li Ruihuan, Wan Li, Tian Jiyun, Li Tieying, Li Ximing, Yang Rudai, Yang Shangkun, Wu Xueqian, Qin Jiwei, and Ding Guangen (alternate member). The new candidates are listed as follows:

- Qian Qichen (State Councillor, Minister of Foreign Affairs)
- Zou Jiahua (Vice Premier of the State Council, Minister of the State Planning Commission)
- Zhu Rongji (Vice Premier of the State Council, Director of the State Production Office)
- Wen Jiabao (Member of the CPC Central Committee Secretariat, Director of the General Office of the CPC Central Committee)
- Chen Xitong (State Councillor, Beijing Mayor)
- Wang Zhaoguo (Director of the Central Office for Taiwan Affairs)
- Song Jian (State Councillor, Minister of the State Science and Technology Commission)
- Ding Henggao (Minister of the State Commission of Science, Technology, and Industry for National Defense)
- Chen Jinhua (Minister of the State Commission for Restructuring Economic Systems)

- Hu Qili (Executive Vice Minister of Machine-Building and Electronics Industry)
- Wu Bangguo (Secretary of the Shanghai Municipality CPC Committee)
- Xie Fei (Secretary of the Guangdong Provincial CPC Committee)
- Tan Shaowen (Secretary of the Tianjin Municipality CPC Committee)
- Quan Shuren (Secretary of the Liaoning Provincial CPC Committee)
- Yang Baibing (Member of the Secretariat of the CPC Central Committee, Secretary General of the Central Military Commission, Director of the People's Liberation Army [PLA] General Political Department)
- Liu Huaqing (Vice Chairman of the Central Military Commission)
- Chi Haotian (Chief of the PLA General Staff)
- Xu Xin (First Deputy Chief of the PLA General Staff)

Of these 18 new candidates, Hu Qili was personally nominated by Jiang Zemin. It is said that Li Xiannian, who has chosen to stand by the Chen Yun faction, strongly objected to this nomination. He said: "The older Hu should rather concentrate on operational affairs. Although he has confessed his mistakes of assuming a wrong position in 1986 and 1989, he still is not suitable to be selected into the Political Bureau; the nomination of a candidate for the Political Bureau needs an overall evaluation of the nominee."

Chen Yun and Li Xiannian Crossed Four Candidates Off List, Including Zhu Rongji and Hu Qili

Chen Yun crossed Zhu Rongji, Chen Jinhua, and Xie Fei off the list, and left a remark: "Suggest that some other more suitable comrades be selected as candidates for the Political Bureau, according to their qualifications, after further discussion and evaluation."

Having read the list, Peng Zhen wrote down a remark: "Agree to the decision of the Political Bureau and the working group for preparation for the party congress. We need to consider a candidate's quality in terms of his past performance regarding party spirit, his past experience within and without the party, and his actual working ability, as well as the firmness of his loyalty to the party's basic line. These are the major criteria for selection of candidates."

Central Advisory Commission Provided 17-Nominee List

It has been learned that in early May the Central Advisory Commission also submitted its own list of candidates for the Political Bureau to the working group for preparations for the 14th party congress and to the Political Bureau. The list nominated 17 people, namely, Jiang Zemin, Li Peng, Qiao Shi, Song Ping, Li Ruihuan, Tian Jiyun, Li Tieying, Zou Jiahua, Chen Xitong, Li Guixian, Chen Zuolin, Qian Qichen, Yang Baibing, Liu Huaqing, Ding Guangen, Wan Li, and Song Jian. This list has fewer candidates than that presented by the working group for preparations for the 14th party congress, and the selection of candidates is quite different, too. Some people believe that the reason the Central Advisory Commission nominated only 17 people is

just because it wanted to block more members of the Deng faction from entering the Political Bureau.

Working Group for Preparations for 14th Party Congress Recommended New Plan to Political Bureau

On 16 May, during its 10th meeting, the working group for the preparation for the 14th party congress worked out a new plan according to which the Political Bureau of the 14th CPC Central Committee will have 19 to 23 members and alternate members; the Standing Committee of the Political Bureau will consist of seven to nine members; and the Central Committee Secretariat will be formed by seven to 11 members. The new plan has been submitted to the Political Bureau for discussion.

Jiang Zemin made an announcement at the meeting: Namelists of delegates to the 14th party congress from the CPC central authorities; all the ministries, commissions, working groups, and offices under the State Council; all the major military regions; all the arms and services, military institutes, provinces, autonomous regions, and municipalities have been submitted on schedule to the central authorities for examination and ratification and are to be filed for record purpose. The namelist of candidates for membership and alternate membership of the CPC Central Committee also has been submitted to the central authorities ahead of schedule on 13 May (CHENG MING issue No. 5 did report the progress of the preparations for the 14th party congress).

List of Members and Alternate Members of Central Committee Preliminarily Made Out

It also was announced during the meeting that a preliminary decision had been made that the 14th CPC Central Committee should have 360 members and alternate members, of whom 15-20 percent will be retiring or be discharged. Of the 360 candidates, more than 180 will be selected from among members or alternate members of the 13th CPC Central Committee, including some who are old enough for retirement. So, in principle, the total number of members and alternate members of the 14th CPC Central Committee will be between 280 and 320.

Regarding the composition of the Central Committee candidate list, the submitted preliminary list shows that 63 percent of the candidates are from localities, while 11 percent from the Army.

First Draft of Work Report To Be Rendered to 14th Party Congress Completed

The meeting discussed the first draft of the work report to be rendered to the 14th party congress, which was prepared by Ding Guangen and Wen Jiabao.

Jiang Zemin relayed Deng Xiaoping's opinion on the first draft: "The center has been caught and strongly stressed. The problems have been pointed out, but could the crucial point be elaborated on more thoroughly?"

Then what is the crucial point?

Deng's Comment on First Draft: "Crucial Point" Can Be Elaborated on More Thoroughly

Jiang Zemin said: "By 'crucial point' Comrade Xiaoping means the deep-rooted pernicious vestige and tendency of 'leftism' on the part of the party leadership, in the way of thinking and ideological tradition of party members, and in the superstructure."

As shown by the progress of preparations for the 14th CPC National Congress, at no time have the Deng and Chen factions slackened in their contention for seats in the top leadership and seats of members and alternate members in the party's central committee. Although the two factions may sometimes make compromises, they have never halted the struggle between them on major issues concerning the line and orientation.

Deng Discusses 'Leftism' With Party Leaders

HK0106013892 Hong Kong CHENG MING
in Chinese No 176, 1 Jun 92 pp 13-14

[Article by Lin Wu (2651 2976): "Deng Xiaoping on Criticizing 'Leftism' and Political Reform"]

[Text] "The 'leftist' things will reappear again and again, and they will find expression in various fields. Henceforth, resisting and criticizing the 'leftist' ideological trend and the 'leftist' ideology inside the party will be a rather arduous task."

Deng Xiaoping recently said this.

After returning from his inspection tour in the south, Deng Xiaoping continued to be active inside the party to guarantee that his line can be put into practice. In particular, his call for "particularly guarding against 'leftism'" has evoked strong repercussions inside the party. The faction headed by Chen Yun has always had a defiant attitude on this issue. What Deng Xiaoping was more worried about was whether he could still hold the ideological and organizational dominance at the 14th CPC National Congress to be convened in autumn.

On 12 May, Deng Xiaoping met with Jiang Zemin, Qiao Shi, Li Peng, Li Ruihuan, Yang Baibing, Chi Haotian, Wen Jiabao, Ding Guangen, and Qin Jiwei in Zhongnanhai with the presence of Yang Shangkun and Wan Li.

Deng Xiaoping: "Leftism" Will Strangle Social Development

Deng Xiaoping expressed his opinion on the early version of the work report to the 14th party congress drafted by the team led by Ding Guangen and Wen Jiabao. He said: "The orientation and central link of the congress' work are grasped. The crucial points in the old ideas, conceptions, and conventions deeply rooted in the party's high-level leadership are hit. In the future, the party's basic line will still mainly be disturbed and affected by things from the 'left' side. 'Leftism's' harmfulness is its strangling social development and people's creativity. On the other hand, 'leftism's' hypocrisy lies in its appearance as a defender of Marxism and an upholder of the communist truth. Inside the party, particularly in the process of formulating concrete

policies, implementing policies, and handling major issues that may influence the situation, it is necessary to resist and expose the 'leftist' ideology's harmfulness and hypocrisy."

Deng Xiaoping was clearly aware that the force of Chen Yun's faction in the Political Bureau was not weak. To guard against and overcome "leftism," it is necessary to overcome the disruptive influence from those "leftist" go-getters and to overcome Chen Yun's influence.

Individuals Cannot Meddle in the Political Bureau

Deng said: "At present, it seems that the 'leftist' ideas are still regarded by some comrades of the older generation and a small number of leading comrades as correct or as the truth of Marxism-Leninism. On this issue, it is necessary to make it clear to the rank and file without ambiguity. 'Leftism' mainly refers to some ideas held by some party leading comrades and a kind of habitual thinking that has taken shape for a long time inside the party. Henceforth, the Political Bureau should dare to insist on its policy decisions and resolutions, and no individual is allowed to have a hand in or interfere in the Political Bureau's operation. This problem has been left unsolved for too long a period, and it should be properly solved this time. No individual is allowed to put his own will above the Political Bureau."

Jiang Zemin's Leading Body Should Not Be Changed Within This Century

Deng Xiaoping also expressed his opinion on future work. He said: "The party's central work is to pursue the four modernizations. This central work must be properly guaranteed, and must not be shaken by any events or by the disruption of 'leftism.' Once it is shaken, a chaotic situation will appear. Jiang Zemin's role as the party's core needs the support of the middle-aged people here within this century. The core and the basic leading body must not be changed. Frequent changes will lead to the loss of the centripetal force, and may affect party and public morale."

Deng Xiaoping added: "It is necessary to spare no effort to develop high technology, and we should have the determination and confidence as we had in developing atom bombs and rockets in the early 1960's. We should work in a down-to-earth manner to catch up with the advanced level. At present, we have much stronger human and material conditions."

People With "Rightist" Ideas Are Not Necessarily Antiparty Elements

In mid-April, Deng Xiaoping inspected port facilities and naval units in Tianjin. He also talked about the issue of guarding against "leftism" with responsible officials of the Tianjin municipal and Hebei provincial party committees. Deng Xiaoping said: "Some comrades have high enthusiasm for struggling against 'rightism.' However, every time a struggle was launched against 'rightism,' it went too far and victimized too many comrades as the target of struggle was extended to too large a scope. The center properly handled the 1989 incident. No large-scale purges and criticisms were made as some comrades persistently proposed, but they still wanted to do this. Did they really have party

spirit and a sense of party discipline? This was not 'leftism' but a typical case of left deviation. Only a very small number of people really masterminded and pursued 'rightism.' People with 'rightist' ideas are not necessarily antiparty and antisocialist elements. This should be strictly distinguished."

"Authoritative Theorist" Thinks That Truth Is in His Hands

Deng Xiaoping also said: "I have proposed that no debate be carried out on the issue of something bearing the surname 'socialism' or 'capitalism,' and the center has also made a resolution on this. However, some people said without being convinced: If the Communist Party does not clearly distinguish socialism from capitalism through debate, how can it call itself a Marxist party? They think that the debate, controversy, and struggle over the past 43 years since the founding of the people's republic were not enough, and they want to continue them for another 50 years. Practice is the sole criterion for testing truth. The old revolutionaries, old heroes, and authoritative theorists find it hard to be convinced, and they think that the truth is in their hands. It seems that among the 50 million party members and the more than 200 Central Committee members, they are the only Marxists who hold the truth in their hands. If such comrades are allowed to remain in leading posts, I think that it will not be possible to actually carry out the party's basic line, and the four modernizations will not come true within the foreseeable future. Moreover, our party and state may just collapse."

Pilot Schemes for Political Reforms Should Have Three Preconditions

It seemed that Deng Xiaoping was aware that economic reform alone would not be possible as the "leftist" force inside the party remained rather strong, and economic reform would not be endorsed by Chen Yun and a large number of "leftist-minded" leading officials. So political reforms would be unavoidable. However, this is a difficult task, which is even much more difficult than economic reform. If it is not properly handled, it might even "run on rocks" [chu lei 6051 7191]. So, it is still better to follow the old method of wading across the river by groping for stones on the river bed and advancing gradually by entrenching oneself at every step. In May, Deng Xiaoping told Jiang Zemin and other people: "Pilot schemes for political reform should be carried out; otherwise, economic reform will be affected. Political reform should be carried out on the basis of guarding against 'leftism.' Of course, the external disruption from the 'right' should also be eliminated. The main problem will still be the 'leftist' ideology and habitual force in the superstructure realm." Deng Xiaoping pointed out three preconditions for pilot political reform schemes: first, economic reform and a development foundation; second, party organizations being perfect and having appealing force and leading ability; third, social order is good and people's feelings are stable in the localities or departments. The second of these three preconditions shows that political reform in Deng Xiaoping's mind must be preconditioned by not shaking the CPC's absolute leadership.

The Central Authorities Arrange Pilot Political Reform Schemes in Four Provinces and Three Municipalities

According to high-level leadership sources, the central authorities have planned to carry out pilot political reform schemes in Shanghai and Tianjin and part of Guangdong, Shandong, Hebei, and Jiangsu. This signal is still good news to reformists in the party. However, some people doubt whether Deng Xiaoping is firm in pursuing the "double-track" system, namely, simultaneously carrying out economic and political reform. In the past, Deng Xiaoping vacillated many times, and lacked foresight and courage. His supreme principle is pragmatism, which is also his greatest weak point. Of course, this time, when launching the current reform upsurge and calling for guarding against and opposing "leftism," Deng has made up his mind, and this is a very good opportunity. However, what Deng tries to carry out has limitations and is subject to a certain bottom line. That is, the "four cardinal principles" must not be discarded. Will such limited political reform thoroughly solve the problems in the old system? Will it change the people's powerless condition?

If the prerequisite of the political reform is not to attenuate or weaken the system of one-party dictatorship, then will such political reform be in line with the historical trend and the people's needs?

Authorities Deny Entry to Dissident Journalist

HK3105031492 Hong Kong SOUTH CHINA
SUNDAY MORNING POST in English 31 May 92
pp 1, 3

[By staff reporters]

[Text] Chinese dissident journalist Dai Qing was late last night allowed into the territory after a day spent stranded at Kai Tak when she was refused entry back into the mainland.

After hours of behind-the-scenes discussions involving officials over the politically delicate matter of whether to agree entry to Dai, she was granted a seven-day visa.

Dai was unwilling to name names, but said "influential figures" in Hong Kong had been working to secure her entry into the territory.

Last night's negotiations are believed to have gone all the way to Chief Secretary Sir David Ford.

Dai flew into Hong Kong yesterday from Europe and the United States, where she is studying at Harvard University on a Niemann fellowship.

CAAC [General Administration of Civil Aviation of China] officials refused to allow her to board a flight for Beijing and instead offered to help her obtain a visa through the U.S. Embassy in Beijing to return to the U.S.

At a late press conference at Kai Tak, Dai said she was baffled by the Chinese Government's refusal to let her back in, especially since she was carrying a valid passport.

She revealed a Harvard colleague, Ph.D student Mr Kung Xiaoxia, was also believed to be in Hong Kong last night after being refused entry to the mainland recently.

He had flown to Guangzhou to do research for his doctorate but was detained by security officials in the city, escorted to a train and sent to Hong Kong.

His whereabouts were not clear last night.

Hong Kong legislators expressed concern over China's role in the incidents. The move also sparked late night protests at the NEW CHINA NEWS AGENCY's Happy Valley headquarters.

Dai said it was unwise for the authorities to refuse her entry given senior leader Mr Deng Xiaoping's statement earlier this year the Chinese Government would welcome overseas students when they returned to China, even if they held divergent opinions.

She said the incident would hurt China's image abroad.

Dai said she had made no contact with dissident Chinese overseas.

Dai was last night staying with REUTERS reporter Jane Macartney whom she called from the transit lounge when she learned of her ban on entering China.

She said she had no plans to participate in any June 4 events in Hong Kong.

If she heard nothing from the Chinese authorities this morning, Dai said she would return to the U.S. on a United Airlines flight at lunchtime today. But if she gets notice she may enter China, she would be happy to wait in Hong Kong until after June 4 before travelling to Beijing.

She had made efforts to contact Chinese embassy officials overseas to secure her re-entry, but these had failed to help.

Friends had warned her she might have problems, but she felt if she was stopped it would be in Beijing.

A State Department official said early this morning the U.S. was aware of the situation and a statement on the case would be made tomorrow.

The Chinese Communist Party is growing increasingly nervous in the run-up to the anniversary of the army killing of pro-democracy demonstrators around Beijing's Tiananmen Square on June 4, 1989.

China has stepped up harassment of foreign journalists and yesterday was reported as having warned reporters to sever all links with their overseas colleagues in the approach to June 4.

But Dai said: "I am opposed to street student movements. I will take no action on June 4."

She said the officials gave no reason for refusing to allow her to return. Officials in Beijing were not available for comment.

A representative from Jardine Airport Services, CAAC's agent at Kai Tak, confirmed Dai could not board CAAC flight 110 due to "political reasons".

"That is all I can say on the matter. For further information you have to contact the CAAC," she said.

But a CAAC spokesman denied knowledge of the incident.

Dai's husband, Mr Wang Deji, said Dai called him from Hong Kong at about 2.30 pm yesterday.

"I was prepared to meet her at the airport with our daughter but she said CAAC officials would not let her board the plane."

Mr Wang said the Chinese move was unreasonable.

Legislative Councillor Ms Emily Lau Wai-hing said the incident would affect Hong Kong people's confidence, increasing fears outspoken citizens might share the same fate as Dai after 1997.

"I am shocked. Dai is holding valid Chinese travel documents. How can a country bar its own citizen from returning home when she has done nothing illegal nor been branded a counter-revolutionary," said Ms Lau.

"Will there really be freedom to travel for people of Hong Kong after 1997?" she asked.

Political activist Mr Lau Shan-ching, who was last night leading the protest at Happy Valley, said it was unreasonable and inhumane to bar Dai from joining her family in Beijing.

He also said the incident was disturbing for Hong Kong.

Dai hit the headlines last November when she was kidnapped by Chinese security agents and whisked out of the capital for several days to prevent her meeting aides to U.S. Secretary of State Mr James Baker, who was visiting Beijing.

Reverse on Ban Said 'Unlikely'

HK3105081092 Hong Kong AFP in English
0749 GMT 31 May 92

[By Peter Lim]

[Text] Hong Kong, May 31 (AFP)—Dissident journalist Dai Qing intends to press Chinese authorities for an explanation of the ban on her return to China while seeking a reversal of the decision, her friends said Sunday.

Dai, 50, an outspoken democracy campaigner who was jailed in Beijing in 1989, arrived here from Europe on Saturday [30 May] and learned while awaiting a connecting flight to Beijing that she had been barred from returning to China.

She was carrying valid travel documents and was offered no explanation for the ban.

After consultation at the highest level in the British colonial administration, according to news reports, she was granted a seven-day visa to remain in Hong Kong.

Dai had earlier cancelled a flight back to the United States, where she is studying on a fellowship for journalists at Harvard University.

A source at XINHUA said that Beijing would be unlikely to reverse the ban on Dai. "It is unlikely she would be allowed home at this time," said the source. "She has caused a lot of trouble in the past."

In November, she was abducted by Chinese security forces to prevent her meeting the entourage of visiting U.S. Secretary of State James Baker. She left China for the United States in December.

Beijing is increasingly nervous about dissident activities in the build-up to the third anniversary of the June 4, 1989, crackdown on pro-democracy unrest in Beijing, dissident sources said.

Since the democracy protests, Chinese authorities have repeatedly stressed the necessity of stability for the success of economic reforms.

Dai, then an outspoken journalist with the communist party's intellectual newspaper, the GUANGMING DAILY [RIBAO], was closely associated with the pro-democracy movement and spent 10 months in jail following the crackdown.

The XINHUA source said conditions were attached to Dai's return, suggesting that she had been told before leaving China that her return was at the discretion of Chinese authorities.

"Her return, according to what I have heard, would depend on what she said and did while abroad," the XINHUA source said.

Dai maintains that she has done nothing to anger China's rulers while abroad, neither speaking out for democracy nor engaging in any pro-democracy activities.

She has also reiterated that she has no intention of joining any events marking the June 4 crackdown in Hong Kong.

The Hong Kong Alliance in Support of Patriotic Democratic Movement in China, which Beijing has branded as a "subversive" group planning to overthrow the Chinese government, planned to mark the event with a mass rally Sunday and a candle-light vigil on June 4 anniversary.

Dai, emerging from the transit lounge escorted by Lau Chin-shek, one of the official of the alliance, told reporters late Saturday that it was unwise for the authorities to refuse her entry, given senior leader Deng Xiaoping's statement earlier this year the Chinese government would welcome overseas intellectuals when they returned to China.

Cheng Yiu-tong, a Hong Kong delegate to the Chinese National People's Congress (parliament), said it was unwise for China to bar Dai.

"China must strictly adhere to its policy" of allowing intellectuals to return home despite their political differences, Cheng said.

Delegate to NPC Urges Entry

HK0106040292 Hong Kong SOUTH CHINA
MORNING POST in English 1 Jun 92 p 1

[By staff reporters]

[Text] Dissident journalist Dai Qing, stranded in Hong Kong after China refused her entry to the mainland, will return to the United States on Saturday [6 June] unless Beijing has a change of heart.

Ms Dai, studying at Harvard University on a Nieman Fellowship, was returning home to see her family last Saturday when she was barred from taking a CAAC [General Administration of Civil Aviation of China] flight from Hong Kong to Beijing.

Yesterday she attempted to make contact with the local office of the NEW CHINA NEWS AGENCY, China's de facto embassy in the territory, but had no success.

According to her friends, she was told no "responsible" officials were available to handle her case.

Instead, a person who identified himself as a "secretary" answered her call and took down her message.

Another Chinese student from Harvard, Ms Gong Xiaoxia, was sent out of China by Guangzhou police last week and so far she has also failed to elicit an explanation for her treatment from Beijing.

The pair are now waiting in Hong Kong before going back to the U.S. to continue their academic research.

Ms Dai, who is staying at the home of Chinese friends in Hong Kong, has booked her flight for Saturday.

Despite her frustration, Ms Dai still hopes Beijing officials will change their minds and allow her to go home and see her husband after the sensitive June 4 anniversary.

Beijing has not issued any comment on the incident so far.

Ms Dai holds a valid Chinese passport and does not need a visa to return home.

The inflexibility shown by Beijing in Handling Ms Dai's case was condemned by Hong Kong politicians who said China should make good its promise that it would welcome dissidents who wanted to return home regardless of their political views.

"The Chinese Government had announced that it welcomed the return of intellectuals to the country regardless of their activities. It should implement this stated policy and allow Ms Dai to return," said Mr Cheng Yiu-tong, a local delegate to the National People's Congress.

And Hong Kong legislator Mr Szeto Wah yesterday described the incident as a "slap in the face".

"Just recently, Deng Xiaoping said China welcomed Chinese students studying overseas Chinese students studying overseas who wanted to return to the mainland. This incident (Dai Qing) has become a slap on his face," Mr Szeto said at a mass rally to mark the third anniversary of the June 4 democracy movement.

Unauthorized Activities on Tiananmen Square Banned

HK0106100492 Hong Kong AFP in English
0921 GMT 1 June 92

[Text] Beijing, June 1 (AFP)—China has banned unauthorized memorials, wreath laying and even laughing on Tiananmen Square ahead of the third anniversary of the 1989 crackdown and warned that violators will be punished. The warning was posted at the base of the Monument to the People's Heroes, in the center of the square.

A list of eight rules said anyone who carried out unauthorized memorial activities on the monument would be punished. Permission could only be obtained from the city government or the Tiananmen District Management Committee. Serious violations would be investigated according to the law, the sign said.

The rules banned placing flower baskets, wreaths or garlands on the monument unless applications were submitted five days in advance.

"Writing or carving is banned on the Monument to the People's Heroes, hanging or putting up other articles is banned," the sign said. "Sitting or lying, laughing and causing trouble is banned."

The Monument to the People's Heroes, a 36 meter (118 foot) high obelisk sitting in the middle of the world's largest public square, was headquarters to student demonstrators during the pro-democracy movement.

It was festooned with banners and flags for seven weeks before the Chinese army suppressed the movement and cleared the square on June 4, 1989.

The Chinese authorities have tightened security in Beijing, especially in the university district, ahead of the anniversary and stepped up surveillance of dissidents. The city has also warned residents to stay away from the square on June 4.

Security Heightened in Beijing

HK0106120492 Hong Kong AFP in English
1122 GMT 1 June 92

[By Pierre Lanfranchi]

[Text] Beijing, June 1 (AFP)—Security was tightened in the Chinese capital Monday [1 June] in an attempt by the authorities to stave off any incident marking Thursday's third anniversary of the Beijing massacre.

In Tiananmen Square, center stage of the seven-week democracy movement crushed by military might on June 4, 1989, panels appeared at the Monument to the People's Heroes banning any commemorative activity.

They said anyone laying flowers, hoisting banners, or sitting or even laughing near the white-marble and granite obelisk, at the center of the world's biggest public square, would be prosecuted and punished. Dozens of plainclothes police carrying video cameras and walkie-talkies were also seen prowling the square. Municipal authorities have also ordered Beijing residents not to go to the square on Thursday.

Elsewhere in Beijing, a greater than usual number of security personnel were in evidence, though less visible than in previous years, according to several witnesses. Motorized patrols and police in groups were most numerous in the Haidian varsity district, which includes Beijing University, cradle of the 1989 demonstrations for political reform and an end to rampant corruption in China.

Stricter than normal checks were being carried out at the entrance of the spacious Beijing University campus, about 15 kilometers (10 miles) from the city center.

Chinese reporters have been told not to mingle with their foreign counterparts, who themselves have been subjected to increased harassment, as have other foreigners in the Chinese capital.

On Saturday, plainclothes police turned up uninvited at a hotel wedding reception for two French nationals, diplomats said. The authorities had earlier asked for a copy of the guest list and musical repertoire.

No demonstrations or major commemoration are expected for the anniversary, though members of an underground dissident group have said they would distribute leaflets, while some students plan a silent hunger strike.

No major incident marked last year's second anniversary of June 4, apart from bottle breaking at Beijing University—a gesture of protest in China, as the given name of senior leader Deng Xiaoping is a homonym for "small bottle."

In a lengthy dispatch that made no reference to what happened three years ago, the state-run Xinhua news agency said students in Beijing were busy preparing for exams in two weeks' time.

Some posters appeared at Beijing University about 10 days ago, but were quickly torn down by campus security agents, campus sources said.

A police presence was also highly visible near Babaoshan cemetery, in Beijing's western suburbs, where many victims of the army's massacre of pro-democracy demonstrators around Tiananmen Square are buried.

For several weeks, police have paid visits to dissidents and to families of political prisoners to warn them against making any public gesture on Thursday, diplomats said.

In Hong Kong, dissident journalist Dai Qing, who has been studying at Harvard University, was denied boarding Saturday onto an Air China flight back to Beijing where she had planned to spend a summer holiday.

No Chinese leader has yet made any comment on what the Communist Party calls the "counter-revolutionary rebellion" of June 4, 1989, in which several hundred people died.

University President Refutes Reports of Protest

HK3105014992 Hong Kong TA KUNG PAO in Chinese 30 May 92 p 2

[By Chang Shaowei (1728 1421 1218): "Beijing University President Clarifies Rumors About Campus"]

[Excerpt] Beijing 29 May (TA KUNG PAO)—Beijing University has been a very sensitive place for dozens of years and has responded quickly to various incidents and ideological trends outside campus. This point has once again been verified. Its president Wu Shuqing has stated that, since Comrade Deng Xiaoping's talks during his inspection tour of the southern provinces were relayed on campus, everyone has braced up, and he believes that it is imperative to seize the moment and to work hard to elevate the national economy to a new plane.

Wu Shuqing told reporters at his office this morning that the students were stimulated to work hard at their studies to

take on the heavy responsibility for economic construction. The alumni association had organized one discussion meeting after another to study how to apply science and technological results to economic construction, inviting the university leadership to participate. The atmosphere of learning was strong among the undergraduates and was marked by a universal desire to make progress; many of them had sent in their applications for party membership and displayed a good sense of discipline. The president said that some foreign reports had it that some small-character posters had surfaced on the Beijing University campus, saying that the students plan to fast in commemoration of the "4 June" incident; that was sheer fabrication and did not affect the campus, which has enjoyed stability. The Hong Kong press went so far as to say that the president himself had lodged a complaint against the book "Historical Trends," a publication of the People's University of China; consequently, He Dongchang, vice minister of the State Education Commission, gave the order to ban the book. That was sheer fabrication. In fact, it was not until he was asked about the book during a meeting on planning for social sciences during the Eighth Five-Year Plan the previous week that he first heard about it. Some people wanted to stir up trouble on the Beijing University campus, seeking to rouse disturbances there, at other institutes of tertiary education, and even throughout China. Fabrication runs counter to journalistic and professional ethics. [passage omitted]

Union Leader's Boss Will Not Aid With Passport

HK0106042092 Hong Kong THE STANDARD in English 1 Jun 92 p A-5

[By S.L. Law]

[Text] Prominent mainland union leader Han Dongfang has been rejected assistance by his employer in his passport application.

This is despite permission given to Mr Han last month by Chinese authorities to travel abroad.

Mr Han, founder of the outlawed Beijing Autonomous Workers' Federation, known in the West as "China's Lech Walesa", was unlikely to secure a passport because his employer, the railway administration, has refused assistance in his application for a valid travel document, said a friend, who refused to be named.

United States Under-secretary of State for Political Affairs, Arnold Kanter, said after a trip to Beijing last month authorities had agreed to issue an exit permit to Mr Han.

Mr Han, 29, was detained without trial for two years after the 1989 crackdown for founding the Beijing Autonomous Workers Federation. All unions in China are run under the party's auspices and independent activities are not allowed.

Mr Han contracted tuberculosis while in jail and planned to go to the US for medical treatment. He was released last May, probably to ease mounting domestic and international tension before the second anniversary of the June crackdown.

Exiled Dissident To Form Underground Network

HK0106035592 Hong Kong SOUTH CHINA MORNING POST in English 1 Jun 92 p 10

[By Willy Wo-lap Lam]

[Text] Tang Boqiao, the exiled student leader from Hunan, will announce the establishment of a China-based national network of dissidents in Washington tomorrow.

The underground network, which will have an office in the United States led by Mr Tang, is expected to be the most extensive base for pro-democracy activists in China.

"Our unit will be separate from existing foreign-based pro-democracy organisations in the U.S. and Europe," Mr Tang told the SOUTH CHINA MORNING POST last night.

"We have the means to directly contribute to pro-democracy activities in the mainland".

Mr Tang, the head of the Autonomous Students' Union in Hunan before the crackdown, refused to comment on reports that his new group might launch small-scale but highly symbolic actions to mark the third anniversary of the Tiananmen Square crackdown.

But he said the report on his province issued yesterday by Asia Watch, extensively based on his personal accounts, would have a large impact on China.

Mr Tang did not think the detailed descriptions of conditions in jails would lead to retribution against political prisoners.

"Beijing will be facing a lot of pressure from the international community," Mr Tang said.

"There will be a renewed interest in the horrible conditions of Chinese jails, especially in places outside Beijing."

Chinese sources said that as well as the group to be announced by Mr Tang, there were a few networks in China which claimed to have a national affiliation.

But to avoid detection by the police and military concentrated in Beijing, the focus of dissident activity had shifted from the capital to the provinces.

Officials Blame Dissident for Court Incident

HK2905131592 Hong Kong WEN WEI PO in Chinese 29 May 92 p 2

["Special article" by staff reporter Liu Shih-hsin (0491 1102 2500): "The Real Facts of How Han Dongfang Stirred Up Trouble in Court"]

[Text] Beijing, 28 May (WEN WEI PO)—On 14 May, Han Dongfang left court without permission, hurling abuse at the Beijing Municipal Dongcheng District Court, beating and kicking the court personnel who stopped him, and trying to hurt himself to aggravate the event. The court attendants immediately put handcuffs on him, taking him to the temporary detention room, where he stayed for about half an hour before he was taken away by his relatives who had been notified by court attendants. The event stemmed from an ordinary civil lawsuit relating to a house demolition. The

above was the situation about which news media were briefed by relevant personnel of the Beijing Municipal Dongcheng District Court.

Violating the Agreement and Occupying Office Premises by Force

Yesterday morning, Jia Zhiyun, president of Dongcheng District Court, and Wang Yandong, chief judge in charge of the division handling applications for the execution of judgments, were interviewed in court by reporters stationed in Beijing from Hong Kong's WEN WEI PO and TA KUNG PAO and the U.S. UNITED PRESS INTERNATIONAL. Chief Judge Wang Yandong first briefed the reporters on the detailed events of the said civil case, and afterward answered reporters' questions.

Wang Yandong said: Han Dongfang lived with his mother Zhang Sandou and younger sister Han Dongmei in Xibiaobei Hutong, Eastern District. They had two rooms, with a floor area of 27.8 square meters, which belonged to the China United Corporation of Animal Husbandry, Industry, and Commerce. In 1983, the corporation decided to demolish the house and build office premises. They discussed the matter with Han and his family at that time, suggested Han move to an empty house (four rooms in all), and promised to give him a three-roomed flat after the building of new quarters was completed. In February 1985, Zhang Sandou forcibly moved into the offices completed on the original site for the reason that conditions in the empty house were very poor. In January 1987, the aforementioned corporation filed a suit with Dongcheng District Court against Zhang, calling on her to leave the premises. The court passed judgment in favor of the corporation, but Zhang refused to accept this and appealed to the municipal intermediate court. With the mediation of the court, plaintiff and defendant reached a voluntary agreement that year to this effect: The corporation should provide a three-roomed flat with a floor area of 39 square meters at Block 7, Shilipu, and Zhang and Han should return the two offices and four-roomed empty house before 30 April 1987.

However, Zhang and Han failed to carry out the agreement. In April 1989, after Zhang died of an illness, Han Dongmei returned two rooms of the empty house in exchange for the aforementioned three-roomed flat, and completed the leasing formalities. In 1991, Han Dongfang also moved into said flat, but in March 1992 he returned to the office premises in Xibiaobei Hutong, which he occupied. In the same month, at the plaintiff's request, the court repeatedly tried to persuade Han, wishing him to voluntarily observe the patched-up agreement. After his repeated refusal to carry out his legal obligations, the court decided to execute the agreement compulsorily. On 13 May this year, the court posted a notice on the premises Han was occupying, fixing a date for him to voluntarily comply with the law.

Sent Him to the Temporary Detention Room Where He Stayed for About Half an Hour

Wang Yandong pointed out: The law is serious, and under no circumstances should resistance of the execution of an effective legal document be allowed. However, to avoid

using compulsory methods to the best of its ability, the court once again summoned Han for a talk on 14 May in the hope that he could be persuaded. Judge Zhong Junming said that if the defendant refused to voluntarily comply with the agreement, the court would forcibly have it executed in accordance with the law. Upon hearing this, Han Dongfang shouted loudly: "You, the court, have the authority, so let it be forcibly executed! In this dirty place, there is nowhere to talk about justice!" Without the court's permission, he stood up and walked out, cursing all the way downstairs. In view of his behavior, the court personnel ordered him to return and resume the talk upstairs. Under such circumstances, the court could not help but bring him upstairs by force to continue the talk and education. Then, Han again scolded the court as "fascist," claiming: "You behave like this, I will by no means let you alone!" The judge asked him to calm down and finish his words, and let him sit in the chair. He cried out loudly: "I will not stay in this filthy place for even a minute!" He rushed out shouting, and happened to bump into a court worker. When the court attendants stopped him, he bent down to seize a wooden chair, intending to strike at the men. When he was stopped, he dashed his head against a table leg, but a public security policeman saved him with his hands. Then Han seized another chair to strike his head, and was again stopped. At this critical moment, to check his illegal behavior and attempts at self-injury, the judge ordered the court attendants to put handcuffs on him and take him to the temporary detention room. About half an hour later he began to calm down, then the handcuffs were removed, and he was prepared for continued education. This time, Han claimed that he was sick and thirsty, and did not want to answer any questions. Judge Zhong Junming personally fed him two cups of water, then telephoned his wife and younger sister, advising them to come and take him away. When the three left the court, none indicated that there was any wound on Han's body.

The Court Attendants Did Not Use an Electric Truncheon

Wang Yandong stressed: Article 3 of Clause 101 of the Civil Procedure Law stipulates that for those stirring up trouble in and assaulting the court; insulting, slandering, and threatening a judge; and seriously causing disorder in the court, the people's court has the authority to investigate and affix their criminal obligations. For minor offenders, the court may fine or detain them." Han Dongfang refused to carry out the mediation agreement which had taken legal effect a long time before. When the judge tried to persuade him to perform his duty voluntarily, he went so far as to cause chaos in the court, hurling abuse at and libeling the court, threatening the personal security of the judge, and even trying to create trouble by hurting himself. To check the illegal behavior, the court took some limited compulsory measures in accordance with the law, which was completely legal and necessary. The measures adopted were quite lenient, and the time involved was rather short. Facts have proved that they were effective in making him calm down. Wang Yandong added emphatically: Of course, we treated Han Dongfang as we would anyone else. We did not wish such an unpleasant event to occur, and Han Dongfang is totally responsible for what happened.

Wang Yandong concluded: Foreign agencies claimed that court attendants had used an electric police truncheon to beat Han, and that he was wounded. This runs completely counter to the facts, and I deeply regret that.

Economic & Agricultural

Li Guixian Presides Over Bank Reform Meeting

*OW3105162992 Beijing XINHUA in English
1558 GMT 31 May 92*

[Text] Shenzhen, May 31 (XINHUA)—Li Guixian, state councillor and president of the People's Bank of China, the country's central bank, presided over a meeting on China's banking reform in Shenzhen in South China's Guangdong Province recently.

Attending the meeting were leaders of all national banks and the people's insurance company of China.

Officials shared their views and experiences. They stressed that banks should try to create a sound banking order and speed up reform.

The meeting invited officials of the Shenzhen and Hong Kong securities exchanges to introduce the development of securities markets.

The bank leaders urged the country's two securities exchanges in Shenzhen and Shanghai to adopt a more positive approach.

Participants in the meeting concluded that the financial reform in the Shenzhen special economic zone is successful and can be used as reference by other places of the country. They also recommended Guangdong Province as the first to follow Shenzhen in financial reform.

More Foreign Banks Expected To Open Branches

*HK2905051792 Beijing CHINA DAILY
in English 29 May 92 p 1*

[By staff reporter Wang Yong: "Foreign Banks Set To Open More Branches"]

[Text] Foreign banks are expected to open more Chinese branches and representative offices, in response to the country's economic growth, a senior Chinese banker said.

Wu Nianlu, director of the Institute of International Finance under the Bank of China (BOC), said the Chinese Government is considering favourable policies to woo foreign banks. One such policy would further ease China's controls on foreign banks' renminbi business scope, Wu said, but did not give other details.

Many foreign banks are now applying for registration in the country's special economic zones and economic development zones, he said.

Chinese statistics show that 29 foreign financial organizations from eight countries and regions had opened 47 business offices in six Chinese cities by the end of March.

In addition, financial organizations from 28 countries and regions had set up 218 representative offices in 14 cities.

The foreign bank's international settlement business in China has developed quickly, especially in cities such as Shanghai, Wu said.

But he urged foreign banks to expand their loan and international trade facilities, which remain undeveloped.

Wu also proposed a three-tier plan to encourage China's mainland and Taiwan to speed up financial co-operation.

First, scholars from the two sides should immediately begin reciprocal visits.

Financial associations from the mainland, Taiwan and Hong Kong should hold seminars on major issues concerning mainland-Taiwan and international financial situations, he proposed.

Second, banks from the two sides should forge direct business ties.

To this effect, Wu said, Taiwan authorities should allow more Taiwanese banks to open branches in Hong Kong, so they can contact mainland banks in Hong Kong.

Taiwanese banks could also set up joint ventures with foreign banks in Hong Kong. The joint ventures could then establish direct business ties with BOC-affiliated banks in Hong Kong or establish correspondent relations with BOC systems on the mainland.

Third, the two sides should set up financial organizations in each other's territory.

The locally registered Taiwan-affiliated banks in Hong Kong could set up representative offices or branches on the mainland. Meanwhile, mainland banks registered in Hong Kong, such as Nanyang Commercial Bank Ltd and Po Sang Bank Ltd, could open organizations in Taiwan.

The Taiwan-funded joint venture banks or financial corporations in Hong Kong could establish presence on the mainland. In the same way, mainland-funded joint venture banks or financial corporations in Hong Kong could open offices in Taiwan.

Finally, Taiwanese financial organizations or investors could set up joint venture banks on the mainland.

Trade Official: Reforms To Benefit Investors

HK3105065692 Beijing CHINA DAILY
(BUSINESS WEEKLY) in English 31 May 92 p 1

["News Analysis" by Wang Xiaozhang: "Mofert Official: Foreign Firms Deserve Equal Footing"]

[Text] The time is ripe for the government to open up its domestic market for the products of joint-venture and foreign enterprises.

So believes Tong Yizhong, deputy director of the Foreign Investment Division of the Ministry of Foreign Economic Relations and Trade (Mofert). Tong's division is responsible for introducing foreign investment to China.

"Foreign investors come here to make money, and the biggest attraction condition here is the market potential," said Tong.

"We must open our domestic markets and prepare preferential policies for foreign investors to make more money," he said.

As different regions race to attract foreign investors, they hope there will be fewer restrictions from the central government on setting up and running foreign-funded enterprises.

For now, many would-be foreign investors are reluctant to commit themselves because they are waiting for the government's green light to race toward developing what is potentially the biggest consumer market in the world.

It is this problem the Ministry of Foreign Economic Relations and Trade (Mofert) is now pondering.

"Here is a concept we must make clear," Tong argued, "that all enterprises with foreign investments are absolutely part of our 'national industry'."

"They are approved by the Chinese Government; they are set up and run in line with Chinese laws and regulations; they pay taxes to the Chinese Government; and they employ Chinese workers."

"They deserve the same treatment as State enterprises. As long as we keep special administrative restrictions on them, we are unfair."

Mofert's Foreign Investment Division recently sent a report to the State Council after hosting a nationwide symposium, which was attended by high-ranking officials from 21 provinces and municipalities.

Tong said the report focused on the feasibility of several major reform measures that would address some major existing problems.

Under the reforms being considered, the government would concentrate on serving and supervising the economy rather than practically managing it.

In order to relieve enterprises from too much administrative interference, the government may simplify, or even cancel, some of the procedures for approving new joint-venture and foreign projects.

It would serve foreign investors by providing explicit information about what projects are encouraged and what ones are forbidden.

A foreign investor who could initiate and run a project in accordance with laws and relevant government regulations would probably meet no extra restrictions.

"Things might be sharply different in the near future," Tong said.

The country hopes by introducing foreign-funded enterprises, it can not only attract extra investment but also import advanced technology and management skills.

The country used to rely on cheap labour to make itself an attractive site for investments. It also gave preferential treatment to investors in high technology and export-oriented enterprises.

However, these advantages are no longer enough.

"International markets for high technology products are highly restricted. It is difficult for a China-made product to gain access," Tong said.

Many people in the country still object to opening domestic markets to enterprises with foreign investment because they fear a flood of "foreign products" will ruin the development of "national industry."

It's probably true, said Tong, that if State-owned enterprises and foreign-funded enterprises are put on equal footing to compete in domestic markets, the latter will win because of their market orientation.

State enterprises, as well as other kinds of older enterprises will probably run at a loss for some time.

But more importantly, said Tong, the State businesses will soon catch up by learning from enterprises with foreign investments.

"The only thing protected by these protectionists is backwardness," said Tong.

First Materials Futures Market Opens in Shanghai

*HK2905051892 Beijing CHINA DAILY
in English 29 May 92 p 1*

[By staff reporter Li Hong: "Shanghai Starts First Futures Market"]

[Text] Shanghai—Shanghai, China's largest industrial and commercial hub, yesterday opened the country's first State-level materials futures trading market—an event applauded by both Chinese and foreign economists.

Endorsed by the State Council, China's highest governing organ, the Shanghai Metals Exchange will trade crucial raw materials via paper and computer discs rather than through face-to-face exchanges. This, experts said, marks China's first step toward eventually establishing a highly efficient and complex market mechanism.

Minister of Materials and Equipment Liu Suinian and Shanghai Mayor Huang Ju have both wanted to make the Shanghai Metals Exchange the world's third largest, after the London Metals Exchange and the Chicago Board of Trade.

The new Shanghai Exchange is the central government's latest attempt since reform architect Deng Xiaoping inspected South China earlier this year and asked Chinese people to further "emancipate minds" and boldly use advanced economic management in the world.

Shanghai government sources said the city is currently cooperating with the Ministry of Commerce to set up another futures market, a Grain and Oil Exchange in the Pudong New Development Zone.

Chinese commodity producers and business dealers, including farmers, have long suffered from periodical price fluctuations for industrial and agricultural products. The reason has been primarily the lack of free and standard market transactions, experts said.

Chinese policy researchers have urged the government to erect wholesale and futures market to expand and stabilize commodities flow and help find a reasonable nationwide price level.

Hang Zhihong, an official of the Ministry of Materials and Equipment and a market expert, said the futures market, rather than the cash market, could protect the market mechanism against price risks and maintain a stable and healthy market.

At a futures market, contracts for the future delivery of commodities of a standardized quantity and quality are brought and sold, Hang explained. The commodities are not delivered at the market. Only promises of delivery at a specified time and place are traded. Futures are widely considered an effective way to regulate prices.

At the 1,200-square-metre Shanghai Metals Exchange, the first batch of 43 domestic member companies will buy or sell, through brokers, contracts of standardized metals: copper, aluminum, zinc, lead, nickel, tin and pig iron. In the future, steel and other metals are expected to be included.

When matured, the price index at the Shanghai Metals Exchange help guide the price level of metals nationwide, just as the London Metal Exchange determines prices worldwide, Hang said.

Dale Lorenzen, first vice-chairman of the Chicago Board of Trade, attended the opening ceremony of the Shanghai Exchange. "It is a historic event for China" to develop a market-oriented economy and bring China's market "under the common practice of the world," he said.

In another development, China plans to hold several classes on international futures trading next month in Beijing, Shanghai and Shenzhen.

The classes are designed to train administrative personnel from the futures trading companies.

American and Chinese experts will deliver lectures at the classes.

XINHUA Discusses Environment, Development

*OW3005143292 Beijing XINHUA Domestic Service
in Chinese 0242 GMT 30 May 92*

[Article by XINHUA reporter Liu Qingqing (0491 7230 7230) entitled "Environment and Development: Two Major Issues Faced by Human Beings"]

[Text] Beijing, 30 May (XINHUA)—The UN Conference on Environment and Development will be held in Brazil 3-14 June. It will be a grand meeting at the highest level concerning the environment and development in human history. The substance of the conference is promoting a sustained strategy for a coordinated economic and environmental development. This will propel the common efforts of human beings in environmental protection to a new climax.

The first UN meeting on human beings and the environment was held in June 1972 in Stockholm, Sweden's capital.

In the past 20 years, undertakings in environmental protection have made rapid progress worldwide. The environments of some countries and regions in the world are being brought under control and improved. However, worsening situations in some of the world's environments are not contained, particularly in such aspects as the disappearance of forests, desertification of land, and global warming due to emissions of greenhouse-effect gases. The pace of deterioration is being quickened. There are also very grave problems in such aspects as acid rain, depletion of the ozonosphere, the disappearance of species, water pollution and water shortage, soil erosion, and marine pollution. The protection and control of the environment is a complex issue involving international politics, economics, and science and technology. In the past 20 years, human beings have gradually realized that environmental protection and economic development are common tasks faced by the world's nations and should be tackled as a whole through international cooperation and synchronized coordination. The tasks in environmental protection cannot be carried out in isolation. Human beings have taken a leap in their understanding of the environment by adopting a path of economic development without causing damage to the environment.

Developing countries are troubled by the worsening regional environments apart from having to face the threat of global environmental problems. It is more urgent and direct for them to solve problems relating to water pollution, water shortages, forest damage, soil erosion, and desertification. The exceptional environmental problems of developing nations should also form part of the global environmental problems and should be given full attention and discussion internationally. However, currently we should respect the sovereignty and rights of developing nations to implement their own economic development strategies which are suitable to their local conditions for shaking off poverty and improving their conditions. When determining policies relating to global environmental problems, we should not use environmental protection as a reason to restrict and interfere with the economic development of developing nations. It is noteworthy that since the developing nations' meeting on the environment and development in Beijing last June, representatives of developing nations have met many times to coordinate their stance. They are determined to protect the world environment with all the world's nations while safeguarding their rights to their self survival and development.

Concerning the global warming problem caused by air pollution and the emission of greenhouse-effect gases, all countries should treat it seriously by further readjusting their positions. Industrialized countries in West and North Europe—whose emission of such gases has decreased steadily in recent years because their major energy supplies come from nuclear power stations—show the strongest reactions to this problem. In addition, developing island countries which are threatened by rising ocean levels also actively advocate rapidly establishing limits on emission of such gases. However the United States, whose annual emission of carbon dioxide accounts for 23 percent of the world's total, is equivocal on this issue. Stressing that such limits may affect its economic growth, the United States opposes establishing a specific goal and timetable for limiting the emission of such gases.

Developed countries—whose populations only account for 25 percent of the world's total but consume 80 percent of the world's resources—are major consumers of natural resources during their progress towards industrialization. In recent years many developing countries, while assuming responsibilities corresponding to their development levels, have urged developed countries to take the lead in protecting the world's environment. They expressed their hopes that this call will receive strong and wide support in meetings on the environment and development.

Efforts should also be made to reach agreement in principle and in detail between developed and developing countries in the aspect of transferring environmental protection knowledge to developing countries on a noncommercial basis. Some developed countries say that advanced technologies for environmental protection are controlled by private companies. They argue it is not within the ability of their governments to hold negotiations on problems involving intellectual property rights. On the other hand, developing countries are of the opinion that developed countries should give priority to transferring technological knowledge owned by state-owned enterprises. Developing countries also hold that private enterprises should be encouraged to transfer such technologies through government subsidies and other methods.

In all, grave environmental conditions and increasing awareness of the need to protect the environment require improved international coordination and cooperation in the fields of environmental protection and economic development. The people of all countries are anxious that this meeting will achieve results.

East Region

Anhui's Wuhu Port Opens to Foreign Vessels

OW3005052692 Hefei Anhui People's Radio Network in Mandarin 1100 GMT 29 May 92

[From the "Provincial Hookup" program]

[Excerpts] The Zhujiqiao Foreign Trade Wharf of Wuhu Port was a scene of jubilation on the morning of 28 May. More than 1,000 cadres and citizens were there to warmly welcome the sailing of two foreign vessels into the harbor. With their anchoring in the wharf, Wuhu Port has officially become a port opened to the outside world, thereby bringing to an end the period in which there were no foreign trade ports in Anhui in more than 40 years since the founding of the People's Republic. Wuhu was also the first of the three ports—Wuhan, Jiujiang, and Wuhu—to pass the state acceptance test and accommodate foreign vessels after the Standing Committee of the National People's Congress approved their opening to foreign vessels last October. [passage omitted]

The Wuhu City People's Government held a grand ceremony to welcome the first foreign vessels to sail into the harbor. [passage omitted]

Vice Governor Wu Changqi, responsible comrades of the relevant provincial departments and Wuhu City party, government, and military departments; and representatives of the Ministry of Communications's Changhang Corporation, port departments in charge of foreign affairs, and various ports along the Chang Jiang attended the ceremony.

Vice Governor Wu Changqi and Wuhu Mayor (Jiao Shangdong) spoke at the ceremony. [passage omitted]

Jiangsu's Shen Daren Heads Delegation to Shandong

OW2905144292 Nanjing Jiangsu People's Radio Network in Mandarin 1015 GMT 28 May 92

[From the "News" program]

[Excerpt] Provincial party committee Secretary Shen Daren this morning led a provincial study and observation delegation to Shandong Province for study and observation. This is another important activity following a delegation organized by the provincial party committee and the provincial government for study and observation in Hainan, Guangdong, and Fujian Provinces.

The purpose of the provincial party committee and the provincial government in organizing some responsible comrades of the province and Nanjing City and of provincial level departments to go to Hainan, Guangdong, and Fujian in the south and to Shandong in the north was to seriously study and learn advanced experiences from those fraternal provinces that have developed rapidly in recent years, in order to further emancipate the minds and broaden the views of people in Jiangsu, accelerate the pace of reform and opening up, and strive to push the economy of this province to a new high level in a faster and better way. [passage omitted]

Bank of China Helps Jiangxi Economic Development

OW3105143992 Beijing XINHUA in English 1354 GMT 31 May 92

[Text] Nanchang, May 31 (XINHUA)—The branch of the Bank of China in Jian Prefecture, Jiangxi Province, has played an important role in developing the local export-led economy in this old revolutionary base ever since it started business 11 years ago.

The branch has helped local firms introduce 7.04 million U.S. dollars of overseas funds and has offered 14.40 million U.S. dollars-worth bank loans in foreign currency.

The branch has used 95 percent of its funds to help the locals set up joint ventures with overseas businessmen, develop foreign trade and improve the investment environment.

In the past few years the branch has helped 30 local firms to introduce 12 advanced technologies, 23 production lines, 50 items of advanced equipment and 43 technological upgrading projects.

With the help of the branch, export volume of the prefecture reached 200 million yuan (about 36 million U.S. dollars) in 1991 compared with 40.79 million yuan in 1981.

To improve the local environment for overseas investment, the branch has used bank loans from Canada to introduce a program-controlled telephone system.

So far this year, the branch has invested two million yuan (about 36 million U.S. dollars) in the construction of highways in the area.

Antidrug Work Conference Held in Shandong

SK3105104992 Jinan Shandong People's Radio Network in Mandarin 2300 GMT 30 May 92

[Text] On 30 May the provincial party committee and the provincial government held a telephone conference to mobilize and arrange antidrug work with a view to dealing resolute blows to those who grow opium poppy illegally or produce and traffic in narcotics.

Vice Governor Guo Changcai made a mobilization speech at the meeting. He called on leaders at all levels in the province to further enhance the idea of urgency and the mission in the antidrug work, to go all out to conduct propaganda and education on banning drug abuse, and to mobilize and depend on cadres and the masses to wage a vigorous struggle against drug abuse. In doing their work, all pertinent departments should make concerted efforts to grasp the antidrug work in order to win victory in the general anti-drug war. Public security, political, and judicial organs at all levels should intensify investigation of related cases and deal strict blows to those who produce or traffic in narcotics.

Shanghai Center To Test 5.5 Day Work Week

OW3105163492 Beijing XINHUA in English
1438 GMT 31 May 92

[Text] Shanghai, May 31 (XINHUA)—Beginning June 1, staff in most of the shops along Nanjing Street, the busiest shopping center in Shanghai, will work five and a half days a week on a trial basis.

China's traditional work week is six days.

Wu Yangyue, deputy general manager of the Shanghai Wanxiang Department Store, one of the five, said that the change is expected to enhance work efficiency.

Central-South Region

Shenzhen Reveals 'Ambitious' Economic Plan

HK3005064892 Beijing CHINA DAILY in English
30 May 92 p 1

[By staff reporter Li Zhuoyan: "Shenzhen Plans New Economic Upsurge"]

[Text] Shenzhen—At least 100 billion yuan (\$18.2 billion) will be spent to build the First Special Economic Zone (SEZ) of China into a major international metropolis by the turn of the century, it was announced here yesterday.

According to the ambitious plan, most of the money, to be raised mainly by the SEZ itself, will be pumped into infrastructural construction in the Futian, Shenzhen Bay, Nanshan and Luohushangbu districts.

The Futian district, occupying four square kilometres and expected to host 110,000 residents of the total planned population of 3 million by that time, will become the key part of the city's development and China's international trade and financial centre.

The Nanshan district, facing the sea and blessed with pleasant scenery, is to be turned into a coastal garden-like region of the city.

On this piece of green land will be erected residential apartment buildings and skyscrapers for financial centres, department stores, hotels, cultural and recreation centres, which will make this area the commercial, trade, financial and cultural centre of the city.

And the Shenzhen Bay district, in accordance with its geographical location, is expected to become the city's tourist and high-tech industrial zone.

New Shenzhen Customs Administrative Measures

OW3105071892 Beijing XINHUA in English
0645 GMT 31 May 92

[Text] Shenzhen, May 31 (XINHUA)—The Jiulong Customs of Shenzhen Special Economic Zone will adopt new administrative measures starting from July 1 to make it convenient [as received] for employees in Shenzhen to carry with them small amount of import goods badly needed in production.

Bordering on Hong Kong, Shenzhen is China's leading special economic zone in Guangdong Province and the country's pacemaker in the reform and open policy.

According to the measures, the employees include people working in Shenzhen's foreign-funded enterprises and enterprises processing with supplied materials and samples and assemble with supplied machine parts and people in large and medium-sized state enterprises engaged in processing with imported materials and high-tech businesses.

The small amount of import goods badly-needed in production refer to machine parts, raw materials and small-sized tools and instruments within 30 kilogram and with a total value of less than 3,000 yuan. These goods must be badly-needed in production.

Liu Jianfeng at Hainan Experimental Area Meeting

HK0106080392 Haikou Hainan People's Radio
Network in Mandarin 2300 GMT 24 May 92

[Excerpts] In order to sum up experiences accumulated over the past year or so, further emancipate the mind, smooth out relations, clearly define responsibilities, and quicken the pace of large-scale agricultural exploitation, the provincial government convened a provincial comprehensive agricultural exploitation experimental area work conference in Haikou from 23-24 May. [passage omitted]

Provincial leaders including Liu Jianfeng, Yao Wenxu, Gu Qinglin, Pan Qiongxiong, and Zhu Houhong attended the conference.

Provincial Governor Liu Jianfeng delivered a speech at the conference, in which he pointed out: The provincial comprehensive agricultural exploitation experimental area is a product of reform and opening up. Therefore, we must make continued efforts to successfully build the experimental area in accordance with the spirit of reform and opening up. To this end, we must focus efforts on the following aspects:

1. To adopt new fund-raising measures and be bold in instituting a joint-stock system so as to absorb idle funds in society for the province's comprehensive agricultural exploitation;
2. To embark on a new road of large-scale agricultural exploitation, build open agricultural exploitation strongholds in areas with relatively favorable communications and telecommunications conditions and water resources, and establish an industrial structure integrating trade, industry, and agriculture;
3. To make active efforts to set up land banks in the experimental area with an eye to turning land resources into funds, strengthening land management, and raising the land utilization rate in the experimental area;
4. To actively explore new ways of promoting comprehensive agricultural exploitation in mountainous, old liberated, and ethnic minority areas.

Liu Jianfeng emphatically stated: Comprehensive agricultural exploitation is crucial for implementing the provincial large-scale agriculture strategy and is the only way for

various rural areas to shake off poverty, achieve prosperity, and realize a comfortably well-off livelihood step by step. The comprehensive agricultural exploitation experimental area is important for building a modern agriculture marked by advanced science and technology; big investment; high efficiency; integration of trade, industry, and agriculture; and integration of supply and marketing, and is an effective way of pushing ahead with rural reform and opening up. [passage omitted]

Provincial Vice Governor Chen Suhou outlined the following key experimental area work tasks for the year to come in a work report he delivered at the conference:

1. To continue to perfect a wholesale market and speed up farm products circulation;
2. To quicken the pace of building the Siziling Development Area;
3. To expand the area of the existing experimental area;
4. To deepen reform in the experimental area and strive for new breakthroughs in implementing a joint-stock system, forming enterprise conglomerates, and setting up land banks;
5. To start building a large number of related projects as soon as possible.

Southwest Region

Wang Chaowen Attends Guizhou Propaganda Meeting

HK2905111592 Haikou Hainan People's Radio Network in Mandarin 2300 GMT 22 May 92

[Summary from poor reception] On 22 May, more than 1,000 persons from the provincial cultural, art, press, publication and theoretical circles solemnly held a rally to mark the 50th anniversary of the publication of Comrade Mao Zedong's Talks at the Yanan Forum on Literature and Art. Provincial party Deputy Secretary Long Zhiyi addressed the rally. Provincial party and government leading comrades, including Wang Chaowen [provincial governor], Liu Hanzhen, Wang Zhenjiang, and others, attended the rally.

In his speech, Long Zhiyi stressed: Our practice in literature and art over the past 50 years has proved that as long as we march along the course charted by the article, our literature and art undertakings promise high hopes of success. Otherwise, we would suffer great setbacks.

He urged literature and art workers in the province to implement the article further in a conscientious way and Deng Xiaoping's theories on building socialism with Chinese characteristics and Comrade Jiang Zemin's speech delivered on 1 July last year to further do well in the ideological building of the literature and art contingent.

Tibet Commentary on Learning From Capitalism

OW3005123492 Lhasa Tibet People's Radio Network in Mandarin 1430 GMT 29 May 92

[Station commentary: "Do Not Get Bugged Down Over Whether Our Moves Are Socialist or Capitalist"; from the "Tibet News" program]

[Text] In the current drive of reform and opening up to the outside world, some comrades are overcautious because they are afraid that there might be wolves ahead of them and tigers behind them. They dare not take bolder steps. What are they afraid of? They are afraid of making mistakes by adopting too many capitalist ideas. It is necessary, therefore, for us to emancipate our minds by resolving the problem of whether a move is socialist or capitalist. We should shake off ideological shackles by freeing ourselves from this puzzling question.

In carrying out the policy of reform and opening up to the outside world, it is unavoidable for us to come into contact with capitalist practices. Instead of avoiding them, we should make good use of them. As far as this issue is concerned, we should have a clear understanding because advanced technology, management methods, and cultures found in capitalist countries are not solely enjoyed by them. They are products of modernized large-scale production. Technology itself does not belong to certain classes only. The management and administration system adopted in capitalist countries is of two different qualities. The first quality has something to do with the capitalist system and therefore has a strong class nature. The second quality is advanced experiences and methods that reflect the common phenomenon of large-scale production. Obviously, we need the latter. These advanced experiences and methods do not have anything to do with the problem of whether a move is capitalist or socialist. If they are adopted by capitalist countries, they are capitalist. If they are adopted by socialist countries, they are socialist. Therefore, just like many other countries in the world that have learned and borrowed achievements from ancient and modern Chinese civilization, we can be bold in absorbing and learning all the achievements of other civilizations and the advanced management methods of all other countries in the world, including capitalist countries.

As we deepen reform and opening up to the outside world, we expect that many new situations will occur—for example, developing joint enterprises, attracting foreign investments, and turning the state-owned enterprises into companies with stock-holding system. We should not be surprised by these things that were once treated as capitalist ideas when the "leftist" faction prevailed. We should not be afraid of capitalist practices because the guiding spirit of the CPC Central Committee is very clear. Comrade Deng Xiaoping also showed us three criteria to judge whether a move is capitalist or socialist. These three criteria are: whether it will benefit the development of the productive forces under socialism, the enhancement of the comprehensive national strength of our socialist country, and the promotion of the living standard of the people. These three criteria are based on productive forces of our country and represent the fundamental principle of a materialist conception of history. They provide a theoretical basis for deepening reform. Anything that conforms to these three criteria is socialist and worth our efforts to try.

At present, the problem of whether a move is capitalist or socialist becomes an ideological obstacle to the policy of reform and opening up to the outside world. We should

solve this problem first if we are to emancipate our minds. It is our hope that comrades who are overcautious about anything should conscientiously learn Marxism-Leninism and Comrade Deng Xiaoping's expositions on building socialism with Chinese characteristics. In this way, they can get rid of ideological shackles and the puzzle of whether a move is capitalist or socialist. They should be bold in taking the way toward reform and opening up to the outside world.

Gyaincain Norbu Inspects Counties' Development
*OW3005114592 Lhasa Tibet People's Radio Network
in Mandarin 1430 GMT 29 May 92*

[From the "Tibet News" program]

[Text] During his inspection trip to Yadong, Kangmar, Gyangze, and Bainang counties, Comrade Gyaincain Norbu, chairman of the autonomous region, said: Governments at county and township levels should carry out economic development and social education in accordance with the guiding spirit of Comrade Deng Xiaoping's important speeches. He also said that, according to a report by XIZANG RIBAO, they should further emancipate their minds, take a bolder step in reform and opening up to the outside world, and accelerate the pace in economic development so as to build a new Tibet—a region where people are united, rich, and educated.

During his inspection, Chairman Gyaincain Norbu heard briefings made by leaders of the four counties. He also conducted investigations and research to find out the real problems in the localities, helped grass-roots cadres open their minds, and solved some problems on the spot.

He affirmed the plan mapped out by Yadong County to further implement the policy of reform and opening up to the outside world. He praised township enterprises run by Kawei township in Gyangze County. After hearing the briefings made by Comrade Ping Chuo, party secretary of Gyangze County, he said delightfully: I find new things happening here every time I visit your county. This is really nice.

Chairman Gyaincain Norbu said: Reform aims to liberate productive forces. The remarks made by Comrade Deng Xiaoping help us judge whether a move is "socialist" or "capitalist," and free us from being hesitant in achieving things. We should liberate our minds. For what we regard as correct, let's just try it and go ahead daringly. Accelerating the pace of economic development really makes sense.

He urged all counties to formulate concrete plans for reform and opening up to the outside world by studying the remarks made by Comrade Deng Xiaoping. He urged them to refrain from indulging in empty talk.

Chairman Gyaincain Norbu said: In launching social education work, we should carry out the guiding spirit of Deng Xiaoping's important speeches. We should launch an extensive publicity campaign, telling people that the basic line of "one central task and two basic points" will not change in one hundred years. We can help them eliminate doubts by reassuring them of our policy. Meanwhile, we should put the work of economic development on the top of the agenda.

Social education work should focus on helping develop the economy in agricultural and pastoral areas. We should also accelerate the development of township enterprises, helping them become a mainstay of the local economy and an important resource for financial income of governments at the county level. It is necessary to make a fundamental change in the structure of the single-product economy as well as in the conditions of the natural economy in both agricultural and pastoral areas. In this way we can help people gradually take the path to common prosperity. We should pay attention to social education work in border areas. Stability in agricultural and pastoral areas is beneficial to stability in the region as a whole.

Chairman Gyaincain Norbu also said: To carry out the policy of reform and opening up to the outside world, we should have a fundamental change in work style among cadres, should strengthen investigations and research, should improve unity, and should do our jobs in a cooperative manner. Reform is an arduous endeavor. We cannot achieve our goal if we do not have a strong leading group and good work style. Only by doing solid work can we accomplish the great cause of reform and opening up to the outside world and achieve the second stage of the strategic goal of improving economic and social conditions.

North Region

Beijing, Suburbs Plan More Investment, Trade
*OW0106085392 Beijing XINHUA in English
0827 GMT 1 Jun 92*

[Text] Beijing, June 1 (XINHUA)—The Chinese capital will not only open the city district where investment conditions are good but also the near and outlying suburbs, said Yi Xiqun, director of the Beijing municipal commission for foreign economic relations and trade.

The areas will be modeled on the China's special economic zones to open up free trade zones and lease land for building foreign-funded high and new technology enterprises to directly serve domestic and international markets.

The city districts to be opened include the Haidian new technological industrial development zone and the newly-developed Yizhuan industrial district, the Shangdi information and industrial base and the Fengtai and Changping scientific and technical parks.

As urban districts with better investment conditions, these districts are encouraged to make full use of their advantages and take bigger steps to absorb investment from outside Beijing and from overseas. At the same time they will upgrade traditional industries.

Another site is the plain outside the suburban areas of Beijing. It will be developed into agricultural and industrial development zones to attract investment from other parts of the country as well as from overseas.

The last one is the mountainous areas on the outlying areas of Beijing. With abundant natural resources and labor, these areas will offer preferential policies for talented people who

volunteer to join the efforts to develop natural resources and process grain, edible oil, vegetable, fruit, domestic animals and timber.

While vigorously stimulating the development of foreign-funded enterprises, Beijing will open areas where joint ventures and foreign investment used to be forbidden, such as commerce, banking, transportation, real estate, consulting and information to foreign investment. It will use foreign capital to build infrastructural facilities and downtown business centers as well as upgrade older buildings.

Yi noted that the city will grant more autonomy to localities while further improving investment conditions to attract more foreign capital.

A recent survey report shows that Beijing approved 364 foreign-funded enterprises involving 450 million U.S. dollars in the first four months of this year. Included were more than 200 million U.S. dollars of foreign investment.

Hebei's Cangzhou City Elects New Mayor

SK0106120192 Shijiazhuang HEBEI RIBAO
in Chinese 9 April 92 p 1

[Text] At the seventh Cangzhou City People's Congress which ended on 7 April, Li Ruichang [2621 3843 2490] was elected mayor of Cangzhou City.

Wang Qun Addresses Forum of City Leaders

SK0106021592 Hohhot NEIMENGGU RIBAO
in Chinese 29 April 92 p 1

[Text] On the morning of 28 April, at a forum attended by members of the presidium of the fifth session of the seventh provincial people's congress and responsible comrades of various leagues and cities, Comrade Wang Qun said that all localities and all departments should further emancipate the mind, creatively do their work, concentrate energy on implementing policies, realistically implement to the letter the guidelines of Comrade Deng Xiaoping's speeches and the regional economic development strategic goal defined at the fifth (enlarged) plenary session of the fifth regional party committee, accelerate the pace of reform, and solidly elevate the regional economic construction to a new level.

Comrade Wang Qun said: The government work report, made by Comrade Bu He at the fifth session of the seventh regional people's congress, was highly appraised by the deputies. The deputies unanimously pledged to attend to the fulfillment of the tasks as defined by the report. All of us had identical views. Now, we should concentrate efforts on transforming the work style and firmly grasping the implementation of the tasks. First, we should concentrate energy on reform and opening. We should further emancipate the mind, make bigger strides for reform and opening, and promote the economic construction at a faster rate. We should smash ideological misgivings; boldly eliminate the old ideas and barriers affecting the development of productive forces; combine the guidelines of the central policies and the region's actual conditions; and positively explore and formulate attractive policies and measures to promote the progress of importing capital, technology, and skilled persons from foreign countries and to conduct cooperation

with the domestic localities. We should emancipate the mind and deepen reform in the course of practice. Comrade Deng Xiaoping's important speeches give us the greatest right to boldly try and go ahead. We should daringly go ahead and do what is conducive to the development of socialist productive forces, to the enhancement of the overall national strength of the socialist countries, and to the improvement of the people's livelihood. The aim to conduct reform and open the country to the outside world is to develop productive forces. The criterion for judging our work performance is to see whether the region has made a new breakthrough in the economic work.

Second, we should concentrate energy to attend to the present work. The first four months of this year have passed. We should enhance the sense of urgency. The forces for the economic work must not be decentralized. The key leading bodies of various localities should closely cooperate with one another, organize forces, and grasp both the long-term strategic work and the current work. We should conscientiously attend to the reform work of state-owned large and medium-sized enterprises. On the one hand, we should fully apply the existing policies on enlivening large and medium-sized enterprises and further create a more relaxed external environment conducive to the development of enterprises; on the other hand, we should positively support and guide large and medium-sized enterprises to tap internal potential, conduct reform focusing mainly on transforming the managerial mechanism, and delegate to enterprises all the powers needed.

We should further relax the restrictions on small enterprises and some money-losing enterprises and adopt such flexible and effective measures as amalgamation, rent, and leasing to help them enhance their vitality and capacity for self-development. We must not ignore agriculture and animal husbandry. The urban and pastoral areas have a population of over 14 million people. It is more necessary to attend to agricultural and livestock production. So, we should strive to reap better agricultural and livestock harvests this year.

Third, we should conscientiously attend to the circulation and transportation work. The strain on circulation and transportation is a key factor affecting economic development. Along with the further development of economic construction, this contradiction will become more prominent. We will certainly be defeated in competition if we lack a long-term stable and vast market. The comrades of various leagues, cities, banners, and counties should conscientiously study markets; try to learn the laws governing markets; mobilize all forces to try; and try every possible means to develop stable regional, domestic, and international markets. We should turn a passive attitude into a positive one instead of only waiting for the support of higher levels and we should take chances. We should extensively mobilize the collective and individual transportation forces to enliven the transportation service, turn the products of various localities into real commodities, and ensure a good sale of the existing products.

Fourth, we should further strengthen the improvement of socialist spiritual civilization and the overall improvement of social order and consolidate and develop the region's

stable situation. Reform and opening are certainly related to the readjustment of the old production relations as well as to some individuals' personal interests. Thus, various kinds of ideological problems will emerge. So, leaders at various levels should persistently attend to the construction of both spiritual and material civilizations. While concentrating efforts on developing the economy, we should pay attention to the ideological and political work. We should bring into play the functions of grass-roots party organizations, trade unions, Communist Youth League organizations, and women's federations; fully mobilize the enthusiasm of all fronts; and work with one heart and soul to engage in the construction of socialist modernization. We should continue to comprehensively improve social order. Leaders at various levels should conscientiously study and adopt measures to eliminate the sensitive problems and unstable factors that easily create contradictions. We must never lower our guard in this regard. We should strictly distinguish between the two different types of contradictions. Strictly in line with the principle of strictly and rapidly dealing blows to economic criminal activities, we should take strict measures against various kinds of corrosive phenomena and the activities seriously disturbing social order so as to create a fine social environment for economic development, reform, and opening.

Northwest Region

Activities of Xinjiang's Song Hanliang Reported Addresses Party Work Meeting

OW3005054892 Urumqi Xinjiang Television Network
in Mandarin 1655 GMT 28 May 92

[From the "Xinjiang News" program]

[Text] Speaking at the closing session of the Xinjiang regional conference on party work in government organs yesterday, Song Hanliang, secretary of the Xinjiang regional party committee, said: Party work in government organs should subordinate itself to and serve the central task of economic construction to help make the region's economy develop faster and more soundly. [video begins with a long shot of the conference hall, followed by a close-up of Song Hanliang speaking from the rostrum and medium shots of audience]

Song Hanliang said: Government organs at all levels in the autonomous region are in the pivotal decisionmaking position. They shoulder the responsibility of macroeconomic management of the region's political, economic, and cultural affairs and the important task of overseeing the implementation of the various principles and policies formulated by the regional party committee and government. They thus have a major impact on all aspects of work in the autonomous region. In a certain sense, the success or failure of government organs in accomplishing the party's central task through down-to-earth work determines the course of the region's reform, its opening to the outside world, and its economic development. In light of this, party committees and leading party groups should strengthen leadership over party work in government organs, step up the building of grass-roots party organizations, and bring into play the role

of the party branch as a fighting bastion. All party members should undergo in-depth ideological education to bring into full play their exemplary vanguard role.

Song Hanliang pointed out: How to make party work in government organs meet the needs of the new situation of reform and opening to the outside world and bring into full play its supervisory and supporting role is a new question deserving in-depth study. Along with the progress of reform and opening to the outside world and the advance of economic development, party work in government organs will encounter many new situations and new problems unseen in the past. Leading party groups in government organs should make further efforts to study the problems, summarize their experience, and develop new ideas to meet the needs of the new situations and tasks.

Zhang Fusen, deputy secretary of the regional party committee, presided over the meeting and also made a speech. [video ends with a closeup shot of Zhang Fusen speaking]

Holds Forum With Journalists

OW3005051692 Urumqi Xinjiang Television Network
in Mandarin 1655 GMT 28 May 92

[From the "Xinjiang News" program]

[Text] The Xinjiang regional party committee recently approved and transmitted a proposal made by the Propaganda Department of the regional party committee on establishing a system of contact between the party committee and the media. Yesterday, Song Hanliang, secretary of the regional party committee; Janabil, deputy secretary; and Feng Dazhen, director of the propaganda department, held their first ever forum with leading comrades of the region's media units and those of the central media units stationed in Xinjiang. [video shows Song Hanliang speaking to several dozen people in a conference room]

Song Hanliang briefed the media on the region's current central task, the relevant guidelines, and the regional party committee's strategic targets and its ideas on carrying out its work. He urged the media to give more attention to the models who have emerged in the course of reform and opening to the outside world and in economic development, give more attention to their experience, and successfully carry out the propaganda work on their own initiative. He urged the media to correctly understand the regional party committee's strategic goals and its ideas on conducting work, study specific issues in the propaganda work report, and make full use of its propaganda role.

Reportage on Xinjiang Spark Plan Exhibition

Song Hanliang, Others at Closing

OW0106045392 Urumqi Xinjiang Television Network
in Mandarin 1655 GMT 31 May 92

[By station reporters Wei Xinsheng and Guo Yueling; from the "Xinjiang News" program]

[Text] The 10-day exhibition and sales of the nation's Spark Plan achievements and patented technologies closed in Urumqi yesterday. Song Hanliang, Tomur Dawamat, Janabil, Li Shoushan, Keyum Bawudun, Wang Lequan, Haili

Qiemu, and other leaders in Xinjiang, as well as leading comrades from some provinces and municipalities and representatives of the exhibition, were present at the closing ceremony. [video shows close-ups of Song Hanliang and Tomur Dawamat studying a document together, and close-ups of other Xinjiang officials when their names are announced]

Xinjiang Vice Chairman Mao Dehua chaired the closing ceremony, during which Wang Lequan, also vice chairman of Xinjiang, gave a summing-up speech.

Since its opening on 20 May, the exhibition received nearly 170,000 visitors and business negotiators, the number of business projects negotiated reached 4,081, and the amount of money involved in business deals reached 2.1 billion yuan, including 790 million yuan for 457 technical contracts, and 1.35 billion yuan for 813 accords. Moreover, 996 written business intentions were signed. [video shows people visiting various booths in the exhibition and examining some items on display]

Wang Lequan said: After the exhibition, we should pay attention to carrying out all the business deals and sorting and categorizing projects applicable in Xinjiang through use of computers. All the preferential measures that have been reached should be reviewed and improved so that they are compatible with the existing business policies. Meanwhile, we should create a contingent of scientists, technicians, and economic specialists. We must do an even better job in implementing our development strategy of establishing ties with the eastern parts of the country and reaching out for the west, and we must accomplish all the objectives under the Spark Plan.

In his closing speech, Xinjiang Chairman Tomur Dawamat said: The exhibition was unprecedented in Xinjiang in terms of size and success. Now the exhibition is over, and we must continue to make efforts to implement all business deals and train scientists and technicians so that Xinjiang's economic development will be based on science and technology. [video shows a meeting hall, cutting to show close-ups of Tomur Dawamat reading a prepared speech]

During the exhibition, prizes were given to 1,061 exhibits, 91 sales projects, 10 highest business deals, and nine best collective participants. [video shows Song Hanliang, Tomur Dawamat, and other Xinjiang leaders presenting banners to award winners]

'Roundup' Notes Successes Achieved

OW0106053192 Urumqi Xinjiang Television Network
in Mandarin 1655 GMT 31 May 92

[Station "roundup": "The Brilliant Spark Will Start a Prairie Fire;" from the "Xinjiang News" program]

[Text] The recent exhibition and sales of the nation's Spark Plan achievements and patented technologies was unprecedented as far as Xinjiang is concerned. The exhibition, which displayed nearly 4,000 items furnished by eight

ministries and commissions of the state, and by 38 provinces, regions, and municipalities, instantly turned an isolated border city into an information center having attracted people from all parts of Xinjiang.

The numerous Spark Plan achievements and patented technologies have significantly changed views of people about Xinjiang. This change is the first step our economically backward region has made in the face of opportunities and challenges. Most of the business negotiators coming from various prefectures, cities, and counties in Xinjiang visited the exhibition with eagerness and carefully selected projects they had in mind. Once they were engaged in negotiations, the hundreds of negotiators promptly engaged in negotiating projects which need limited investment but can yield good results in a short time, with the hope that Xinjiang's economic development can be revitalized by those projects.

That was the first step they made. Although Xinjiang has reaped bumper agricultural harvests for 14 years in a row, the region's rural economy remains quite underdeveloped. Dozens of counties and cities have had financial deficits for years. We have a sound agricultural foundation and rich natural resources, but we have difficulties in turning them into competitive commodities and economic strength. The problem lies in the underdevelopment of secondary and tertiary industries in counties and townships in which rural enterprises are dominant. In 1991, the total output of the region's township enterprises was 3 billion yuan, equal to the annual output of one township in developed provinces and regions. If we say we can find many causes to account for Xinjiang's backwardness, then there is only one way we should follow today, namely, we must start a prairie fire in Xinjiang, develop its economy, and build a stronger region as quickly as possible with the sparks ignited in various parts of the country.

The results achieved in the exhibition were quite uncommon. Over 400 contracts and over 800 accords were concluded. The majority of them were short-term projects that require limited investment—projects based largely on agricultural production and animal husbandry. People remain the key factor for the effective implementation of these projects. Thus, we must create a steady contingent of scientists and technicians, create an environment in which scientists and technicians can fully demonstrate their capabilities, heighten people's awareness that science and technology are the primary production forces, put into action what we have promised, and make real efforts to revitalize Xinjiang by means of science and technology.

Commentary Urges S&T Propagation

OW0106050192 Urumqi Xinjiang Television Network
in Mandarin 1655 GMT 31 May 92

[Station commentary: "This Single Spark Certainly Will Start a Prairie Fire;" from the "Xinjiang News" program]

[Text] The mammoth Urumqi exhibition and sale of the nation's Spark Plan achievements and patented technologies closed today with complete success. It was a grand exhibition of scientific and technological and economic achievements, and an exhibition that will speed up the

propagation of science and technology in Xinjiang. We wish to express our warm congratulations to the exhibition for its great success.

Today people in Xinjiang commonly want to see the little sparks of science and technology start a prairie fire of scientific and technological development in Xinjiang soon. During the exhibition, the 5,000 or so representatives coming from places north and south of Tianshan highly cherished this rare opportunity. The 3,000-strong exhibits really opened the eyes of the 100 or so business negotiators, headed by principal leaders of 14 prefectures and cities, as well as production and development corps. The exhibits also gave them the information they wanted. These business negotiators did everything they could to establish cooperation and partnership with manufacturers, and the results they achieved were fruitful.

The exhibition has great significance. Its complete success will play a role—which we should not underestimate—in establishing Xinjiang's image as a region dedicated to reform and opening to the outside world, in heightening Xinjiang people's sense of commodity, and in speeding up Xinjiang's economic construction.

The rolling spring tides of reform and opening-up have shown us a beautiful future. The CPC is now leading people of all nationalities to head for a comparatively comfortable life. To achieve this goal by the end of this century, we must first speed up the rural areas' economic development. To promote the development of secondary and tertiary industries and township enterprises in rural areas, we must do several things. First, we need science and technology; second, we must voluntarily follow the course of establishing ties with the eastern parts of the country and reaching out for the west; and third, we must integrate industrial production and trade. The exhibition has provided us with good opportunities and a good start for implementing this guiding principle.

Now the exhibition is over. All localities must firmly follow through with all projects reached during the exhibition until they have been accomplished so that the little spark can start a prairie fire in areas north and south of Tianshan.

Report Views Increasing Border Trade in Xinjiang

*OW3105105492 Beijing XINHUA Domestic Service
in Chinese 2134 GMT 30 May 92*

[By reporters Song Zhengzhou (1345 2398 0624) and Shen Zunjing (3947 1415 2417)]

[Text] Urumqi, 31 May (XINHUA)—Those business representatives from Xinjiang who in the past had been busy booking cargo ships in east coast harbors to transport their goods abroad are now concentrating on local border trade. During the first quarter of this year, trade volume between Xinjiang and its neighboring countries increased 2.5 times over the same period last year, with cargo transportation volume reaching 450,000 metric tons, surpassing last year's total.

Restricted by its geographical location, Xinjiang had been unable to accelerate its pace of opening to the outside world for a long time. However, things have changed rapidly since

China opened its "west gates" to foreign trade. Xinjiang, a region far away from southeast coast, is now a front door for foreign trade. A total of 11 customs offices, including offices in Huoerguosi, Alashankou, Hongqilafu, Tuergate, Laoyemiao, and Hongshanzui, have again become alive after being deserted for many years. Taking advantage of this opportune time, the government and people in Xinjiang are sparing no efforts in promoting trade and economic and technological cooperation with five central Asian CIS states and Mongolia.

The 11 customs offices along the border have gone from being forbidden places to being bustling ports and temporary cargo transfer points. No longer do border police and international mail carriers cross the border alone. Many Chinese and foreign businessmen, tourists, and shoppers wearing Western-style clothes are coming and going in an endless stream. Many managers and businessmen from manufacturing plants in Xinjiang go to neighboring countries, such as Kazakhstan, Uzbekistan, Kyrgyzstan, and Mongolia, to look for new markets. Some peasants and workers pass through these customs offices to work in the neighboring countries as vegetable growers and construction workers. More than 260,000 people have passed through these customs offices since last year.

A total of 33 border counties and cities in Xinjiang, which had to transport goods all the way to coastal areas for exporting, are now conducting various kinds of trade activities as their conditions permit. In the first quarter of this year, local trade companies, border counties and cities, and agricultural reclamation corps stationed along the border exported more than \$45 million worth of goods to neighboring countries, which marks an increase of 7.3 times over the same period last year. Currently, six border prefectures are preparing for border trade fairs.

In addition to border trade, some state-owned large and medium-sized enterprises are engaged in joint ventures. Some, for example, run stores with their counterparts in neighboring countries. A new epoch of economic and technological cooperation between Xinjiang and neighboring countries has already begun. An electronics company, jointly owned by Xinjiang's First Electronics Company and its counterpart in Uzbekistan's Tashkent, went into operation recently. In April, a Chinese commodity store run by Urumqi's friendship market opened in Kazakhstan's Alma-Ata. A thermos manufacturing plant in Urumqi already has four branch plants in Moscow, Alma-Ata, and other cities. It was learned that commercial, supply, and marketing departments in Xinjiang are also building streets for businesses, a three-star guest house, and other projects in neighboring countries.

River, land, and air transportation have been or will be available to facilitate economic and trade cooperation and personnel exchanges between Xinjiang and neighboring countries. Beginning in July, there will be seven flights a week between Urumqi and Alma-Ata and other foreign cities. International passenger train service between Urumqi and Alma-Ata will begin operating on 20 June. Ships will soon sail between Xinjiang and Kazakhstan on the Ili River, which has not been used for transportation for decades. Many highways can link Xinjiang and ports in neighboring countries. Great improvement in transportation has created excellent conditions for promoting border trade in Xinjiang.

Commentary Urges Closer Cross-Strait Relations*OW3105114592 Beijing Central People's Radio
in Mandarin to Taiwan 2200 GMT 30 May 92*

[Commentary by "special commentator" (Guo Liquan): "The Relations Between the Two Sides of the Strait Should Not Cool Off"; from the "News and Current Events" program]

[Text] Generally speaking, relations between the two sides of the strait have been developing in a good-natured and mutually coordinated manner in recent years, even though the road has sometimes been rough and bumpy. Contacts between people on both sides have become increasingly frequent and economic and trade relations have become closer. These are the two most conspicuous characteristics in the development of relations between the two sides of the strait. Judging from this trend, there is no need to cool relations between the two sides of the strait.

When considering, for example, the normal contacts between people from the two sides, visits by relatives and friends and the holding of family reunions between the two sides, as well as the development of tourism and sight-seeing, have not impaired the political interests of any group. It is completely unnecessary to reduce contacts such as these. Direct contact between the people of the two sides can enhance mutual understanding and has every advantage with no drawbacks.

In 1987, the Taipei authorities started to allow people to visit their relatives on the mainland. This was indeed a wise decision that conformed with the wishes of the people. Those who advocate the need to cool relations between the two sides of the strait today disregard the wishes of the people and run counter to the Taiwan authorities' past promises; this is a retrogressive move. Judging from the economic and trade relations between the two sides of the strait, there is no need to restrict these contacts at all.

The existing indirect economic and trade contacts between the two sides of the strait have been beneficial to Taiwan's factories and businessmen, as well as to people on the mainland. However, such a mutually beneficial relationship is still in its initial stage with many difficulties caused by various limitations imposed by the Taiwan authorities. As we all know, the means for Taiwan to increase its industrial growth are inseparable from the mainland's vast market, natural resources, manpower, and technology. The present relations of indirect economic cooperation and trade between the two sides of the strait are still quite fragile. People on both sides of the strait have just tasted the sweetness of cooperation following a long period of separation. People with insight should actively assist and promote such cooperation.

From a long-term point of view, people can see that relations between the two sides of the strait are still in a state of thawing. Some people in Taiwan are eager to dampen the enthusiasm of developing relations between the two sides, but their actions will harm the vital interests of the people in Taiwan, create a new estranged relationship, and hurt the feelings of the people on both sides of the strait. However, in

reality, the contacts between people on both sides of the strait will not cool off, as expected by some people. On the contrary, the contacts will rise to a new, high level.

Therefore, artificial efforts to prevent the normal development of relations between the two sides of the strait are extremely unwise. It seems that those people within political circles in Taiwan should first solicit opinions from the island's people before trying to dampen enthusiasm for developing relations between the two sides.

Recently, some leading political figures in Taiwan have painstakingly tried to blindly guess the trend of the Chinese Communists' policies. To prevent such a situation from happening again in the future, we should not only strengthen contacts between people on both sides of the strait, but also implement direct high-level contacts between the two sides at an early date and establish channels for direct dialogue as quickly as possible. Only in this way can we eliminate unnecessary doubts between the two sides of the strait, create a harmonious atmosphere through joint efforts, promote the steady and healthy development of relations between the two sides, and benefit the people on both sides of the strait.

Academic Exchanges Praised as 'New Milestone'*OW3005054792 Beijing Central People's Radio
in Mandarin to Taiwan 2200 GMT 28 May 92*

[Station commentary by (Ye Xingwen): "A New Milestone in Academic Exchanges Across the Strait"; from the "News and Current Events" program]

[Text] Professor Wu Dayou, who is 85 years old this year, is a respected senior mainland scientist, and he is also a member of the older generation of Chinese physicists with considerable influence in international academic circles. His coming to the mainland to begin an academic tour has been viewed as a new milestone in cross-strait academic exchanges. The scientific circles from both sides of the strait harbor high expectations regarding his present trip, hoping that it will provide a great boost to academic exchanges across the strait.

Scientific and technological exchange across the strait is an important condition for promoting economic development on both sides. Taiwan scientists are greatly welcomed by every field to come and work in the mainland in order that scientists from both sides can work together to develop each other's knowledge and to make a greater contribution to the Chinese nation.

In the past, the development of science and technology in Taiwan has been quite slow. In recent years new changes have appeared. At present, each side has its own advantages and shortcomings. If the two sides can combine their research capabilities as well as their scientific achievements, it would provide a great boost to the industrial structure of both sides and to their efforts to upgrade products. This will benefit economic development on both sides.

As exchange across the strait expands, many Taiwan businessmen have come to realize that the future of two-way

scientific cooperation and exchange is much brighter than coming to the mainland to set up industry. In February, (Liu Taiying), director of Taiwan's Institute of Economics, came to the mainland to conduct a study tour because the mainland presently has a lot of scientific and technical resources. Aside from the cost of wages, the main reason why Taiwan businessmen are investing in the mainland's high-technology industry is that they positively view the potential of the mainland's market.

In the face of the grim situation surrounding the global economy and trade in the 1990's, the current limitations on Taiwan's economy, such as a shortage of resources, overcrowding, and difficulties in transforming and upgrading the mainly export-oriented and processing industrial structure, will become more acute. Although the mainland is quite advanced in many areas of science and technology, it lacks capital, management, and marketing skills, as well as market information. If the two sides can supplement each other through complementary economic and technological exchanges to develop some high-technology products for the

international market, it will benefit economic development on both sides and improve their competitiveness in the international market.

At present, the Taiwan authorities have partially lifted the ban on exchanges of scientists across the strait. Nevertheless, there are still too many restrictions on mainland people visiting Taiwan, and this will not help cross-strait exchanges. Of the 12 scientists invited by Mr. Wu Dayou, the first group of six has been approved by the Taiwan authorities, and their entry permits have been brought to Beijing by Mr. Wu Dayou and handed over to Zhou Guangzhao, president of the Chinese Academy of Sciences. They will visit Taiwan in the middle of June. Wu Dayou also invited nine academicians, presently in the mainland, from the First Academic Council of the Academia Sinica to attend the 19th academic council meeting in Taiwan in July. According to reports, five former academicians of the Academia Sinica have accepted the invitation. This visit to the mainland by Mr. Wu Dayou has forged a new model for the exchange of high-level scientists across the strait, and it is indeed a good start. It is hoped that his trip will pave the way for the rapid expansion of academic exchanges across the strait.

Property Rights Talks With U.S. Behind Schedule

OW3105094592 Taipei China Broadcasting Corporation News Network in Mandarin 2300 GMT 30 May 92

[From the "Taiwan News Hookup" program]

[Text] Differences over a timetable for the passage of related protective legislation have prevented the conclusion of the already behind-schedule Taiwan-U.S. talks on intellectual property rights, forcing the talks to be extended another day. The talks will resume Monday.

The Board of Foreign Trade under the Ministry of Economic Affairs noted: The U.S. side wanted the Republic of China [ROC] to provide a timetable for the implementation of the Cable Television Law, the Law for the Protection of Integrated Circuits, the Business Secrecy Law, and other related regulations. However, because the legislative branch could not control its time [wu fa zhang wo shi jian 3541 3127 2222 2250 2514 7035], the ROC could only produce a tentative timetable drawn up by the administrative branch, which the U.S. side refused to accept. Both sides continued negotiations during the extended one-day session, but no progress was made by 1100 P.M. [Washington time]. Both sides therefore decided to extend the talks one more day.

National Assembly Concludes 'Historic' Session

OW3005163992 Taipei CNA in English 1516 GMT 30 May 92

[Text] Taipei, May 30 (CNA)—The Republic of China's [ROC] National Assembly concluded Saturday a historic extraordinary session during which the parliamentary body amended the Constitution to pave the way for the country's future development and national unification.

President Li Teng-hui, in his address to the closing ceremony of the session, praised the assembly members for having accomplished a historic mission which will lay a sound foundation for the future development of the Republic of China and the Chinese nation.

Noting that full democracy cannot be achieved overnight, Li pledged to accelerate political reforms and promote party politics in line with the revised Constitution.

He also urged the people of the Republic of China on Taiwan to work hand in hand to reach the eventual goal of national unification.

Li promised to summon another extraordinary session of the National Assembly at an opportune time to deliberate outstanding issues that have to be resolved.

The assembly adopted eight amendments to the Constitution during the 70-day session, which started on March 20.

Among the amendments were those empowering the president to appoint members of the Control Yuan, defining the election of the president and vice president by the people in the free area of the Republic of China, improving local self-government and advancing social welfare.

Editorial Lauds Work on Constitution

OW3005142392 Taipei CNA in English 1340 GMT 30 May 92

[Editorial from 30 May edition of EXPRESS NEWS, an evening daily published by CNA: "A Job Well Done"]

[Text] Taipei, May 30 (CNA)—The National Assembly, a completely overhauled non-presidential electoral college, completed its first extraordinary session at Yangmingshan today. Over 300 deputies, all but one of them Kuomintang members, have adopted altogether eight amendments to the Constitution.

Among the amendments were those empowering the president to appoint members of the Control Yuan, defining the election of the president and vice president by the people in the free area of the Republic of China, improving local self-government and advancing social welfare.

It was a job well done.

The amendments completed the second phase of constitutional reform. During the first phase, the National Assembly which was the electoral college voted itself out, with all senior deputies retiring at the end of last year to pave the way for its own overhaul. The third and last phase will start at the beginning of next year.

Some people were disappointed at what they believe to be a poor track record of the National Assembly at the extraordinary session. They hoped the question of presidential election to be solved during the meeting, which started on March 20. They also wished there would be a clear demarcation of power relationship between the presidency and the premiership. Indeed, they were angry that the National Assembly seemed determined to become another legislative arm of the government.

But the fact that the Constitution was amended at all is more than enough proof that things are going well for our political reform. The issue of presidential election and other constitutional questions can be solved next year, when the National Assembly meets again.

In fact, the National Assembly has three more years to complete the constitutional reform. We do not believe a delay will be a politically destabilizing factor.

The Republic of China should count itself lucky. It amended the Constitution, which was adopted in Nanking [Nanjing] in 1946. Japan has tried in vain since 1955 to amend the Constitution the United States gave it in 1946, one year after the end of World War Two.

Yang Shangkun Cited on Nonaggression Treaty

OW0106111292 Taipei China Broadcasting Corporation News Network in Mandarin 2300 GMT 31 May 92

[Report by special correspondent Yang Ching-hui from Beijing; from the "Taiwan News Hookup" program—recorded]

[Text] [Yang] Wang Chao-kuo [Wang Zhaoguo] and Tang Shu-pei [Tang Shubei], in an interview with reporters from

Taiwan at a reception for physicists given by the Communist Chinese Academy of Sciences at Tiaoyutai [Diaoyutai] State Guesthouse, commented on President Yang Shangkun's recent remark that Communist China will absolutely not accept the proposal for negotiations to sign a nonaggression pact between the Taiwan and Communist Chinese Governments on an equal footing. The two officials firmly pointed out that Yang Shangkun's remark is the most authoritative statement and response to the Taiwan side's proposal, and that there is no need for further elaboration. Director Wang Chao-kuo of Communist China's Office on Taiwan Affairs, added that Communist China's basic stance on issues related to cross-strait relations and reunification is contained in the CPC Central Committee's statement of 7 June 1991. There currently are no changes or any new substance in Communist China's position.

[Wang] We have stated our position on officially ending hostility and gradually realizing peaceful reunification in a statement issued 7 June 1991.

[Yang] Executive Vice Chairman Tang Shu-pei of ARATS [Association for Relations Across the Taiwan Strait] went further to point out that the question of (?reunification) is different from the dual model. Therefore, he also firmly stated that since the Taiwan authorities have failed to provide a concrete response on the eve of the first anniversary of the 7 June statement, Communist China cannot but reiterate the contents of the statement.

[Tang] There have been two Germanys, two Vietnams, and two Koreas in history. But there is always only one China. This one-China situation has arisen since the end of World War II. Taiwan is part of China, though it is another China. At the crux of issues surrounding reunification is the fact that the civil war still must be ended. The civil war is the outcome of political disputes between the two parties.

[Yang] The Communist Chinese side has repeatedly proposed the holding of party-to-party negotiations with the Kuomintang and the CPC as the two participants. However, the Taiwan side has emphasized in its national reunification program that negotiations must be held between the two governments on equal footing. Therefore, although the two sides are eager to solve political issues, what they can do now is to state their own policies.

MAC Vice Chairman Comments

OW0106091092 Taipei CNA in English 0816 GMT
1 Jun 92

[Text] Taipei, June 1 (CNA)—Communist Chinese President Yang Shangkun's refusal to negotiate a non-aggression pact with Taipei is an indication that Peking [Beijing] will not renounce the use of force against Taiwan, a ranking government official said Saturday.

Ma Ying-jeou [Ma Ying-chiu], vice chairman of the Mainland Affairs Council (MAC), urged the communist leadership in Peking to "show greater sincerity" in promoting exchanges across the Taiwan Straits.

Yang reportedly told a group of Chinese-Thai business leaders Friday that Peking will never accept Taipei's proposal to sign a non-aggression pact.

If such an agreement were signed, Yang noted, it would be tantamount to the recognition of two Chinese governments.

Yang said Peking will not accept talks between "two governments" because "the central government is in Peking." If talks were to be held, they should be between the Chinese Communist Party and Taiwan's ruling Kuomintang, he added.

Chiu Chin-yi, deputy secretary general of the presidential office who made the proposal in his "personal capacity," said he put forth the idea in order to "widen the scope of everyone's thinking."

"We will continue to study how to develop cross-strait ties toward a satisfactory conclusion, and we are gathering opinions from all parties concerned," Chiu said.

Further on Remarks

OW3105141492 Taipei China Broadcasting
Corporation News Network in Mandarin 2300 GMT
30 May 92

[From the "Taiwan News Hookup" program]

[Text] Communist Chinese President Yang Shang-kun [Yang Shangkun] indicated that Communist China will not accept a recent proposal by Taiwan that a nonaggression treaty be signed between the two sides of the Taiwan Strait. Yang Shang-kun made the remark during a meeting with Thai businessmen of Chinese ancestry, as reported by Hong Kong WEN WEI PO. This was the first response ever given by Communist Chinese leaders on the Taiwan proposal.

Ma Ying-chiu, vice chairman of the Mainland Affairs Council [MAC] under the Executive Yuan, noted: Communist Chinese President Yang Shang-kun's statement that the two sides of the Taiwan Strait cannot sign a nonaggression treaty shows that Communist China still does not want to accept the fact that there are two different political entities in China. Regarding Communist China's repeated suggestion that talks should be held between the CPC and the Kuomintang [KMT], Vice Chairman Ma stressed that government representatives must be present if there is going to be any talk between Taiwan and Communist China. There is no way around it. The following is a report by Wang Hsiao-ling of the China Broadcasting Corporation:

[Begin Wang recording] On 30 May Communist Chinese President Yang Shang-kun expressed his rejection of a Taiwan proposal that a nonaggression treaty be signed between the two sides of the Taiwan Strait, because, he reasoned, if Communist China signed such a treaty, it would mean the regime recognized that there are two governments in China. In response to Yang Shang-kun's statement, MAC spokesman and Vice Chairman Ma Ying-chiu said the statement showed that to this date Communist China still does not want to accept the fact that there are two different political entities in China. Vice Chairman Ma added that accepting the notion of differing political entities, in fact,

would not hamper the future reunification of China. Germany is a very good example of this point. As to Communist China's repeated proposal that the CPC and KMT should hold talks, Vice Chairman Ma said: If the subject is a nonaggression treaty, our side must be represented by government officials at the talks. There is little room for flexibility here. Taiwan has become a democratic area, and a political party cannot represent the entire population of a democratic area in any kind of negotiations.

Tang Shu-wei [Tang Shuwei], vice chairman of the Communist Chinese Association for Relations Across the Taiwan Strait, argued: If the KMT can have contacts with the

Liberal Democratic Party of Japan and the Republican Party of the United States, why can it not hold talks with the CPC? In response to this argument, Vice Chairman Ma said: Talks between the KMT and political parties in other countries have to do with party-to-party matters and never touch on issues concerning national interests, such as the Super 301 clause. Similarly, there probably would be no problems if the CPC wanted to talk about how to manage party-run business with the KMT. However, it is out of the question to talk about the reunification of the two sides of the Taiwan Strait. Therefore, we will not accept the Communist Chinese proposal for talks between the CPC and the KMT. [end recording]

Hong Kong

Basic Law Amendment, Democratization Issue Viewed

Spokesman: No Change Before '97

OW3005111392 Beijing XINHUA in English
1101 GMT 30 May 92

[Text] Beijing, May 30 (XINHUA)—A Chinese Foreign Ministry spokesman said here today the recent public statement by British officials in Hong Kong that the basic law could be amended before 1997 will mislead the Hong Kong residents.

The spokesman made the remark when he was asked to comment on a report which said some British officials had recently asserted in Hong Kong that the basic law could be amended before 1997.

The spokesman said: The basic law of the Hong Kong Special Administrative Region contains explicit stipulations regarding the composition of the first legislative council of the Hong Kong Special Administrative Region.

The spokesman noted that Chinese side has repeatedly stated its position on this question.

According to its amendment procedures, the basic law cannot be amended before it comes into effect on July 1, 1997, the spokesman said, adding that the Chinese side has no intention to discuss this question with the British side.

Howe Urges 'Avoiding Confrontation'

HK3105030192 Hong Kong SOUTH CHINA
SUNDAY MORNING POST in English 31 May 92
pp 1, 2

[By David Healy in London and Gary Chan]

[Text] Sir Geoffrey Howe, one of the principal architects of the Sino-British Joint Declaration, has warned against confrontation with China on democratic reform in the territory.

While the former foreign minister and deputy prime minister threw his weight behind further democracy in Hong Kong, he insisted it should be through a "softly, softly" approach on the part of Britain.

Sir Geoffrey's words came as China yesterday issued its sternest dismissal yet of comments by the Foreign Office Minister with special responsibility for Hong Kong, Mr Alastair Goodlad, that the Basic Law could be amended to increase the number of directly elected seats in Legco before 1997.

"The recent public statement by British officials in Hong Kong that the Basic Law could be amended before 1997 will mislead Hong Kong residents," a Chinese Foreign Ministry spokesman said in a terse statement carried by the NEW CHINA NEWS AGENCY [XINHUA].

"According to its amendment procedures, the Basic Law cannot be amended before it comes into effect on July 1, 1997.

"The Chinese side has no intention to discuss with question with the British side."

And Legislator Mr Allen Lee Peng-fei yesterday appealed for Britain and China to patch up their differences on the controversy.

"I don't understand why Mr Goodlad said this, and I wonder if he was under any political pressure...he should take into consideration the consequences on Sino-British relations," said Mr Lee.

"I'm not sure whether the Chinese side's reactions were too negative. Maybe they (the Chinese and British governments) don't understand what the other side was saying.

"I believe that both governments will use different channels to clear up misunderstandings to avoid making a political storm."

Although Sir Geoffrey was careful in an interview with the SUNDAY MORNING POST not to become embroiled in the democracy controversy sparked by Mr Goodlad's comments, he said he believed Hong Kong could move forward, and with China's backing.

But he stressed the key to success was avoiding confrontation with China on this or any other issue.

Sir Geoffrey was speaking as he prepared to lead a delegation on human rights to China later in the year.

He warned more than once against a public row with China or the implementation of changes in a way that would lead China to dismantle them after the transfer of power.

"Hong Kong's best course—which I am sure it will pursue—is to remain politically neutral in Chinese terms, but economically valuable.

"With political self-restraint, the economic advantages of Hong Kong will predominate in the Beijing view. Hong Kong will look alluring rather than threatening.

"Hong Kong will best serve the future of Chinese political reform by example rather than by agitation.

"Hong Kong's position is strengthened by virtue of the British prime minister's direct and vigorous engagement in dialogue with China.

"Beijing has once again been exposed to argument at the highest level about the vital part China can play in sustaining confidence in the essentially different nature of Hong Kong's increasingly democratic, capitalist society."

But again he warned of the dangers of tackling the issue head on: "Confrontation between China and Hong Kong or between China and the UK is almost bound to jeopardise the prospects of success for Hong Kong after 1997."

UK Warned of 'Trouble'

HK3105061692 Hong Kong TA KUNG PAO in Chinese
31 May 92 p 2

["Weekly Roundup" by Kung Yao-wen (7895 5069 2429):
"Goodlad Causing Trouble"]

[Text] Lee Chu-ming's Activities in Britain

Yesterday, the Chinese Foreign Ministry spokesman explicitly and emphatically pointed out that the Basic Law cannot

be amended, in response to a statement made by Alastair Goodlad, minister of the British Foreign Office, who said in Hong Kong that the Basic Law can be amended.

Not long ago, [Martin] Lee Chu-ming and another member of the Legislative Council went to Britain and carried out some activities there. They successively met with Chris Patten, the appointed governor of Hong Kong; British foreign secretary Douglas Hurd; and British Prime Minister John Major. They demanded that Britain support the motion of increasing the Legislative Council seats open to direct elections to 30 in 1995, or making half of the Legislative Councillors directly elected to office. After Lee Chu-ming and his company returned to Hong Kong, British Foreign Office Minister Goodlad also came to Hong Kong. They echoed each other and put on a chorus demanding the amendment of the Basic Law. Thus, ripples were created on the surface of the spring pond, and strong repercussions were evoked among people in various circles of Hong Kong. This situation must not be overlooked.

There are fewer than five years before the sovereignty over Hong Kong is returned to China. In the late transition period, which is not too long, Britain's recent behavior has rather deeply disappointed the residents of Hong Kong. The British side did not do anything positive to bring affairs which may affect things in various fields in the post-1997 period into line with the Basic Law and thus benefit the people in Hong Kong by paving a smooth way for the transition; instead, it tried by various means to raise obstacles and bring about uncalled-for new problems.

Intentions at Bottom of Their Hearts All Too Clear

The abrupt increase in the airport construction expenses has obviously affected the financial reserves which will be transferred to the Hong Kong Special Administrative Region [SAR] Government in 1997. Before this matter is solved, now there is the ranting about the amendment of the Basic Law and the increase in the Legislative Council seats open to direct elections. This is an attempt to bring more pro-Western politicians who are anti-China and anticommunist [fa hua ju gong 0646 5478 2147 0364] into the Legislative Council and turn them directly into the first batch of SAR legislators in 1997 so they can form a strong opposition faction inside the SAR Legislative Council to wrangle with the mainstream faction over everything. They may say no to everything in the way some members of the United Democrats of Hong Kong have behaved in recent years. They attacked and opposed whatever China did.

After the recovery of the sovereignty over Hong Kong in 1997, the SAR Government will be facing arduous tasks in all fields. However, if there are some politicians who are just keen on creating trouble every day, how can there be social stability in Hong Kong? How can people feel assured and easy? How can the 6 million Hong Kong compatriots fail to see who should bear the responsibility for this?

Therefore, many people of insight have long pointed out the fact that in the postwar period, before Britain withdrew from its previous colonies, it certainly played political tricks and sowed seeds of trouble. In some places, such trouble has

lasted over half a century. This includes the Israeli-Palestinian disputes, the long-lasting Indian-Pakistani discord caused by the separation, and the Sino-Indian border disputes. Even the remote cause of the war between Iraq and Kuwait more than one year ago was related to the border delimitation made by the British Empire in the old days. It will be very unwise for Britain to play the same old tricks and sow discord among the Chinese people in Hong Kong after its departure in 1997.

The 6 Million Hong Kong People Long for Stability

Today, the all residents of Hong Kong long for social stability. In particular, China's reform and opening policy has struck root in the hearts of the people, and economic relations between Hong Kong and China have become increasingly close in the last few years. The two sides have been bound by common interests. Hong Kong's stability and prosperity have a bearing on the existence and destiny of the 6 million local residents. In the past few years, the behavior of a small number of people in the United Democrats of Hong Kong who stubbornly stuck to the anticommunist position on everything and kept doing and saying things from the anti-China position was gradually spurned by the vast number of local residents. They should note the people's feelings and general tendency in Hong Kong, and should not turn to the British people to seek support for discussing the amendment of the Basic Law with China. Such behavior will just lay bare their real features.

In fact, the growing discontent of the residents with the extremist opinions and actions of a small number of people in the United Democrats of Hong Kong can be heard in large quantity on public occasions. They are denouncing those overlords in the Legislative Council for being only keen to try to please the public with claptrap and denouncing them as sheer troublemakers.

If one gives consideration to Britain's interests, one should take the return of sovereignty over Hong Kong to China as a new starting point for further friendly cooperation between the two countries. After China recovers sovereignty over Hong Kong, Britain will still maintain great economic interests and various potential favorable factors in Hong Kong. If the British statesmen fail to see such tangible and intangible advantages and still try to foster a pro-British force in the SAR Government in order to constrain and influence the operation of the SAR Government, then they will just create new contradictions and unrest, which will certainly lead to consequences unfavorable to Britain. It is believed that the experienced and astute British leaders will not try to deal with China by playing the same old tricks their predecessors did half a century ago.

Public Wishes Will Decide Everything

This time, Goodlad, in his capacity as British Foreign Office minister for Hong Kong, called for amending the Basic Law. According to the reactions of public opinion, his opinion was not popular at all. Many neutral and unbiased people also could not but say something fair. For example, Mr Li Fook-sean, a Hong Kong affairs adviser, said that before the

Basic Law actually comes into effect in Hong Kong, the Chinese Government will be, to a large degree, unwilling to amend the Basic Law.

Mr Allen Lee Peng-fai, a Legislative Councillor, reacted to Goodlad's opinion more than once. He said: "The Chinese side has repeatedly indicated its position on no amendment to the Basic Law, and it will not eat its own words." Yesterday, Lee Peng-fei again criticized Goodlad's statement, saying that he misled the people in Hong Kong and, to a certain degree, affected Sino-British relations.

Yesterday, the Chinese official spokesman expressed an explicit attitude toward Goodlad's statement. It is still hard to say whether the trouble will be calmed down. It should be noted that with the year 1997 drawing near, more troublesome things will appear one after another. In the international arena and in Hong Kong as well, an extremely small number of people who are hostile to China will certainly try to shake Beijing in various aspects. "The tree may prefer calm, but the wind will not subside." In order to win support from more people in Hong Kong for the "one country, two systems" policy, China should also more frequently listen to the opinions of the Hong Kong affairs advisers, and give rein to the people in Hong Kong to run local affairs on their own. The public wishes will decide everything. The agitating calls of the politicians who are democrats on the surface and sinister in their real intentions will certainly be spurned by the public.

Rally Marking 4 Jun Held at XINHUA Building
HK0106042792 Hong Kong SOUTH CHINA
MORNING POST in English 1 Jun 92 pp 1, 2

[By Doreen Cheung]

[Text] Scuffles broke out during a rally yesterday to mark the third anniversary of the June 4 Tiananmen Square massacre when demonstrators tried to place a black paper coffin with a wreath in front of the headquarters of the NEW CHINA NEWS AGENCY [XINHUA] in Happy Valley.

The clash between police and demonstrators broke out after six protesters, claiming to be members of the Liberal Democratic Party, tried to break through the barricades erected in front of the NCNA [NEW CHINA NEWS AGENCY] headquarters.

When they were stopped by police, they attempted to throw a mock coffin through the barricade.

About 4,000 people took part in yesterday's march from Chater Garden to the Happy Valley headquarters of the NCNA, according to the police.

However, organisers of the event, the Hong Kong Alliance in Support of the Patriotic Democratic movement in China, claimed about 8,000 people had participated in the three-hour march.

A member of the Liberal Democratic Party said the police told them that they had intruded into a restricted zone.

Showing a torn wreath, he said the police destroyed the coffin without giving an explanation.

No one was charged in the incident.

When the 20 executive committee members of the alliance marched to the NCNA to present a letter of protest, they were unhappy to see that a three-man crew wearing uniforms bearing the word "police" had been videotaping their action.

A member of the executive committee, Mr Tsang Kin-shing, tried to block the video camera with his black balloons and asked why they were being filmed.

He later said the police had told him that they had the right to videotape the demonstrators.

Noting that it was the first time the police had filmed their action in front of the agency, Mr Tsang said it was not necessary because they were staging a peaceful demonstration.

Another executive committee member, Mr Cheung Man-kwong, said he was unhappy over the incident.

"What do the police mean by shooting you with staff wearing a large label of police' right in front of your eyes?" he said.

Mr Cheung, who is also a Legislative Councillor, said he would take action.

Despite close scrutiny by the police video camera, the alliance leaders stuck their letter of protest into the NCNA gate.

Slogans on the five banners read: "To rectify the 1989 democratic movement, To hunt for those who were responsible for the Beijing massacre, To end one-party rule, To build a democratic China," and "To release all the political activists of the democratic movement."

Other legislators leading the rally included: Mr Yeung Sum, the Reverend Fung Chi-wood, Mr Lee Wing-tat, Mr Lau Chin-shek, Dr Conrad Lam Kui-shing and Mr Martin Lee Chu-ming.

Legislators Mr Albert Chan Wai-yip, Mr Man Sai-cheong, Dr Huang Chen-ya, Mr James To Kun-sun, Mr Zachary Wong Wai-yin and Mr Frederick Fung Kin-kee also participated in the march.

The marchers, chanting slogans calling for the release of dissidents in China, took three hours to reach the NCNA headquarters in Happy Valley from Central.

Last year, about 10,000 people participated in a similar march.

END OF

FICHE

DATE FILMED

2 June 1992

